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ABSTRACT

Hearings were held to begin the process of developing legislation to address the child care crisis. Testimony concerns: (1) the Child Development and Education Act of 1989 (H.R. 3) and the 21st Century School program; (2) the use of tax credits to support child care, H.R. 3, and H.R. 30, the Act for Better Child Care (ABC); (3) federal standards and quality of care, salaries, child care staffing, care for infants and toddlers, partnerships, service supply and demand, expenditures on care, and parental preferences; (4) the Child Care and Education 2000 Act; (5) the structure of H.R. 3, the leadership role of public schools, and the interagency approach to service delivery; (6) the need to expand Head Start services, state options, diversity, the process of building capacity for program development, accessibility, affordability, and reliability; (7) the need for a comprehensive national policy on child care and early childhood education, and views of the National Education Association and the National Parent Teacher Association; (8) the experiences of the National Child Day Care Association, findings of a 3-year national study of public school programs for children under 5 years of age, and the importance of resource and referral services; and (9) the American Civil Liberties Union's view of inadequacies in the ABC bill, and the needs of low-income children and small business child care providers. Numerous statements, letters, and supplemental materials are included. (RH)

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ED 314 149

HEARINGS ON CHILD CARE

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HEARINGS

BEFORE THE

COMMITTEE ON EDUCATION AND LABOR
HOUSE OF REPRESENTATIVES

ONE HUNDRED FIRST CONGRESS

FIRST SESSION

HEARINGS HELD IN WASHINGTON, DC, FEBRUARY 9; MARCH 6; AND APRIL 5, 1989

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CHILD CARE

THURSDAY, FEBRUARY 9, 1989

House of Representatives,
Committee on Education and Labor,
Washington, DC.

The committee met, pursuant to call, at 9:40 a.m., in Room 2175, Rayburn House Office Building, Hon. Augustus F. Hawkins [Chairman], presiding.

Members present: Representatives Hawkins, Miller of California, Murphy, Kildee, Martinez, Hayes of Illinois, Sawyer, Payne of New Jersey, Lowey of New York, Poshard, Unsoeld, Jontz, Mfume, Goodling, Petri, Roukema, Gunderson, Bartlett, Tauke, Fawell, Henry, Grandy, and Ballenger.

Staff present: Susan McGuire, staff director; Carole Stringer, legislative analyst; Richard Johnson, general counsel; Eugene Sofer, budget counsel; Jack Jennings, counsel; Gail Perry, legislative associate; Kristina Moore, assistant to the general counsel; Andy Hartman, minority staff director; Carol Lamb-Behrer, minority professional staff member; Beth Buehlmann, minority education coordinator; Lynn Selmser, minority professional staff member; and Susan Wilhelm, staff director, Subcommittee on Human Resources.

Chairman **Hawkins**. The Committee on Education and Labor is called to order.

The hearing this morning begins the process of developing legislation to address one of the country's most pressing issues, that of the child care crisis. As chairman of the Education and Labor Committee, I am firmly committed to working out a consensus on legislation which can be enacted this session of Congress. I am under no illusions that this process will be easy. We know that the care of our children is an emotionally charged issue, that there are fundamental differences on the appropriate role of Government in supporting such care, and differences on the approaches to providing care.

But I think we have broad agreement that the time is right for a Federal response to this concern, and out of that we know that parents have difficulties finding good child care. According to a recent Harris poll, today 45 percent of the labor force is female and 2 out of 3 new jobs is likely to be filled by women over the next decade as the economy expands and the work force grows. Presently, 10 million children under the age of 6 need child care services. Despite the difficulty experienced by parents in finding good care and the proven economic benefits for businesses which get involved, only 3,500 employers out of 6 million provide some form of child care support for their employees.

On January 3, I introduced the proposed Child Development and Education Act of 1989, H.R. 3, with the intention of using it as a vehicle for crafting legislation with bipartisan support and incorporating the best thinking of the experts in the field. The proposal which I introduced emphasizes educational development rather than custodial care, targets resources to those most in need of services and least able to afford quality care, and builds on existing programs of proven effectiveness. By utilizing programmatic requirements of current law, the proposal incorporates existing nondiscrimination provisions and aims to avoid reopening the church-state issue.

In convening these full committee hearings, I encourage all members of the committee to participate in the deliberations on child care legislation. I intend that the development of this legislation shall be based on broad consultation with all of the affected groups and organizations. While time may not permit all who seek to be heard to testify in public hearings, I can assure everyone concerned that we are open to their views and welcome their suggestions.

This morning, the committee will hear from a group of widely respected experts in the child care field, and we look forward to these experts to give us a better understanding of the current child care needs and to explore policy options.

Before that time, however, let me yield to several members. And before that may I again emphasize that the bill which I have introduced is not to the exclusion of any other bill. We are not opposing bills, we are simply trying to reach a consensus on the committee. We are trying to reach a consensus that will include both Republicans and Democrats and to incorporate into whatever is finally agreed to by this committee the best that there is in all of the various proposals.

Now may I at this time yield to the ranking minority member, Mr. Goodling?

Mr. GOODLING. Thank you, Mr. Chairman. I am pleased to join you in having this series of hearings on the important topic of child care. Last year child care came of age as a policy issue of national significance. In Congress, on the campaign trial, and in homes across the country child care was much discussed. While there is not a consensus at the present time as to the exact means by which the Federal Government should assist families securing quality child care, there does seem to be a general agreement that there is a Federal role.

In the weeks and months ahead, we will hear a great deal about many of the specific issues involved in the child care debate. In fact, tonight, I suppose, President Bush will talk about his own child care proposal. I would like to take this opportunity to highlight just a few issues that are of specific interest to me.

First, I believe that it is vitally important that any Federal policy on child care encourage the integration of children from poor, middle income and wealthy income families. It would be a tragedy, in my estimation, if there is a problem with Head Start; part of that problem, if the effect of our policies was to segregate poor children in a certain type of care and not work toward integrated child care systems. This should be our goal in child care provided by businesses, government, and the private sector.

Other issues I am concerned about include parental choice, the involvement of businesses, and coordination at the local level.

And I look forward to the hearings and working with you and all members to bring about a desirable program.

Chairman HAWKINS. I would like to yield next to Mr. Kildee, the chairman of the Human Resources Subcommittee. And may I say, in connection, that Mr. Kildee has certainly worked tirelessly to bring child care legislation to fruition. He has graciously concurred in holding these hearings inasmuch as they do cover several subcommittees. I welcome the contribution that he has made and I look forward to working with him, and certainly at this time would like to have Mr. Kildee express himself in any way that he may wish to do so.

Mr. Kildee?

Mr. KILDEE. Thank you, Mr. Chairman. I am very pleased to join you this morning to discuss national child care policy. I also am grateful to your commitment and dedication to addressing the needs of child care in our country.

Child care is an issue which only becomes more urgent as time passes. It is more urgent this year than it was last year. And with the groundwork that we did lay in the 100th Congress, I am confident that we will successfully address this important national issue this year. As Jimmy Durante said, everyone is in on the act right now. The President is in on the act, and we welcome that action on his part. Whatever is proposed we can certainly look at, and hopefully come up with a package of good child care bills.

From the beginning, however, I have felt that any child care bill must contain three essential elements. First, it must help parents and children obtain and afford child care. Many parents cannot do that now. Second, it must also increase the supply of child care. There is a vast shortage of that out there. And third, it must address the question of quality of child care. There are not only horror stories out there, there is sometimes just a lack of any meaningful child care and all we have is just warehousing of children.

Clearly, a comprehensive approach is necessary if Federal policy is to be successful in addressing these key issues. Throughout my entire working life is both as a teacher and as an elected official. I have sought to advance the basic principle that government should help everyone but especially those who are most vulnerable in our society. And the very young and the very old are very often the most vulnerable. This principle has been my guide throughout the child care debate and was a key factor in my decision to introduce the Act for Better Child Care.

I was pleased to be joined in the introduction of that bill by a vast array of people in the Congress, representing various philosophies and both parties. Representative Olympia Snowe, from Maine, is a chief cosponsor of that bill.

The Act for Better Child Care was the first comprehensive child care legislation before the Congress in over 16 years. It is based upon the concept that all society benefits when government helps strengthen the family. The ABC bill is certainly a pro-family bill.

It also seeks to build upon existing State and local efforts by making the Federal Government a partner in these efforts to ensure the availability of affordable quality care. Most importantly, however, it addresses each of the three components which are crucial to the development of a comprehensive national child care policy. Seventy-five percent of all ABC funds flow through States to help low- and moderate-income parents pay for child care at the market rate on a sliding fee scale.

We learned during previous hearings of the great diversity within the existing child care network. From the beginning, ABC has recognized that diversity by permitting funds to be used for care provided by family day care provides, by for-profit and not-for-profit centers, by school-based provides, and by group care providers. And I think we have to recognize the structure that already exists out there when we address the question of child care. That is very important. We had difficulties with that last year, but we have to face up to those difficulties. One of the things we have to recognize is, if there is a structure out there, then we have to be aware of that.

We learned that empowering families to meet their child care needs involves more than just making care more affordable. It involves supporting efforts to expand the availability of the resource and referral services. Many parents have no idea where they can secure child care. It involves providing grants to potential child care providers to increase the supply of quality programs parents have to choose among.

It also involves establishing training programs and requiring minimum levels of training to help insure care-givers have the tools to provide adequate child care. One of the great things in Head Start is that we required training, and in Head Start we have never found a documented case of child abuse because of that training. Training is an essential element in any child care proposal we have.

Mr. Chairman, I think that we both approach the needs of child care with good will and a sense of urgency, and I am convinced that that good will and that sense of urgency will enable us to send a bill to the President's desk this year.

Thank you, Mr. Chairman.

Chairman HAWKINS. Thank you.

Before calling on the first witness, the chair would certainly recognize any other members who have an opening statement.

Mr. Petri?

Mr. PETRI. Thank you, Mr. Chairman, and thank you for holding this hearing on this important subject so early in the 101st Congress. I will be most interested to learn what the various witnesses in these hearings will have to say, but at the outset I would like to make clear that I think we should bring to this issue several fundamental principles.

First, whatever money we might decide to spend to help families with children I think we should give directly to the parents. In fact, my preference would be to give every last dime directly to the parents.

Second, it should be up to the parents to decide what kind of care their children will receive, not any government agency anywhere.

Third, it is fundamentally wrong to discriminate against people who care for their own children in favor of dual-earner couples and others who pay other people to care for their children. Those who care for their own children forego income to do so, work just as hard as those who work outside the home, and often make the greatest economic sacrifices. Any program to help people with children that discriminates against those who work in the home denies the value of that work and is fundamentally unfair.

Finally, any money we spend in this area should be concentrated at the lowest end of the income scale; that is, on the working poor.

For all these reasons I start out with the belief that the simplest, most efficient, and fairest way to help working poor people with children is to supplement their wages directly, according to the number of children, through an expansion of the existing earned income tax credit. Then the parents can decide how to spend that money, whether for child care, food, clothing, or the other things that children need. In other words, "power to the people" should be our battle cry.

I would also like to state my view that, looked at in this way, the child care issue is really closely related to the minimum wage issue. There, too, our main purpose is to help working poor families with children. In the child care case we focus on just one of the costs of having children: the need to look after them. In the minimum wage case we are concerned with all the costs of having children. But the basic problem is the same: economic need varies by family size and wages don't. So we need to supplement the wages of lower skilled workers with children.

In the near future I plan to introduce a bill that will expand the earned income tax credit in ways that will at the same time give the fairest help to people for child care needs and give more help to more poor families that really need it than would an increase in the minimum wage, without causing harmful side effects in the form of lost jobs for the least skilled and higher inflation.

If we are really serious about helping people, I think we should focus our attention on such a proposal.

Chairman HAWKINS. Thank you, Mr. Petri. Any other? Mr. Miller?

Mr. MILLER. Mr. Chairman, I would like to commend you for holding these hearings this early in the session so that we have the best opportunity to report out legislation affecting child care. I want to associate myself with the remarks of my colleague, Mr. Kildee, and commend him for all of his work. Unfortunately, I am not going to be able to stay for the hearing because of the meeting of our Labor Management Subcommittee on pensions.

But before I leave, I want to say to the committee that the panel that has been assembled here this morning is as good as you can possibly get on the subject of child care. Dr. Zigler has as much expertise as anyone in the Nation, and has given as much thought to this issue. Dr. Phillips has been especially helpful to our Select Committee on Children, Youth and Families in addressing some of the public policy issues surrounding considerations of child care options. My apologies to them, and to other members of the panel, for my inability to stay here, but I had asked for these hearings upstairs and now I have to attend them.

Thank you.

Chairman **Hawkins**. Any other members seeking recognition at this time?

Mr. **Payne**. Yes, Mr. Chairman. I, too, have to apologize for having to skip out at this time. Our Government Operations Committee will be holding its first organization meeting this morning at 10, and I must be there. But I can't think of anything more important than the subject before us, and I will, hopefully, get back to hear some of the testimony. We have started to review what has been said previously, and, hopefully, we can come up with what is best for the American family.

Thank you.

Mr. **Martinez**. Mr. Chairman?

Chairman **Hawkins**. Mr. Martinez?

Mr. **Martinez**. Mr. Chairman, I had not intended to make a statement, but since other members are apologizing for leaving, I am going to have to apologize for leaving also. I have to attend the same meeting as Mr. Payne.

Chairman **Hawkins**. Well, don't everybody leave, you know. You are supposed to be interested in child care.

[Laughter.]

Mr. **Martinez**. I think it is a shame because this is such an important issue and, although Congress has struggled with it before, I think as you said in your opening statement, the time is right. Mr. Kildee said that everybody is in on the act. I just hope that act doesn't turn out to be a song and dance as it has in the past. I think there are some crucial needs out here that have to be met.

One of the things that I wonder if the panels would touch on is the idea that is fostered by many of our colleagues on the other side of the aisle that somehow parents, grandparents and family and relatives will suffice if given the proper incentive. I think that they are not being realistic because there are many, many single parent families who do not have relatives or parents or grandparents who can fill that void and are in desperate need. If they aren't going to become a greater liability and end up on our welfare rolls as a cost to the taxpayer, I think that these things have to be addressed, somewhere in that compromise that Mr. Goodling talked about. I realize Mr. Goodling is one of those members who is very sincere and will compromise in order to work out a package that would be beneficial to all, and I in no way mean to demean his position or statements that he made. But I think that is something that must be included in that compromise. If in the end we are to do any good, it is going to have to be a sincere compromise.

Thank you, Mr. Chairman.

Chairman **Hawkins**. Any other members seeking recognition? If not, Dr. Edward Zigler, Director of the Yale Bush Center is our first witness.

Dr. Zigler, we look forward to your testimony I have had an opportunity to read it, and I am sure others have likewise. May I—not directing it directly to you, Dr. Zigler, but may I at this time announce that it is the intent of the committee to try to confine the members to the 5-minute rule. We have requested that the witnesses consume no more than 15 minutes. We would like to be able to question them and to complete the agenda today. We will try to expedite the hearing as much as possible and try to conform as closely as possible to the rules.

May I indicate at the same time that the statements that have been submitted will be entered in the record in their entirety, just the same as if they had been orally given to the committee, and any other statements of members or persons who are not witnesses will also be added to the record just as if it is an official document given at this hearing.

With that, Dr. Zigler, we look forward to your testimony. And we appreciate your appearing before the committee.

STATEMENT OF EDWARD F. ZIGLER, STERLING PROFESSOR OF PSYCHOLOGY AND DIRECTOR, BUSH CENTER IN CHILD DEVELOPMENT AND SOCIAL POLICY, YALE UNIVERSITY

Mr. ZIGLER. Thank you, Mr. Chairman.

Mr. Chairman and distinguished members of the committee, thank you for the opportunity to share with you my concerns about the urgent need for good quality child care and my thoughts on how, as a Nation, we can respond to the problem.

In the course of these hearings and those held during the 100th Congress, numerous witnesses testified to the need for child care, so you have a sense of the magnitude of the problem and the fact that we have reached a crisis stage. Today, there is an extreme shortage of good quality and affordable child care services. What is of even greater concern, we have no child care system within which we can work to upgrade the quality and availability of services. I see it as a non-system out there.

The situation will not improve without intervention; it can only become worse as more mothers work and more children need day care. In a decade from now we will have 26 million children, or half the population of children, who have either a mother or both a mother and a father in the workforce, and these children will be in some type of out-of-home care.

Whether the children will grow up to be healthy and productive members of our society depends very much on the decisions we make now about child care.

I say this because a child care facility, whether it is a center or a family day care home, is an environment in which children spend a significant portion of their day, every day. We know from years of research that the child's environment is a major determinant of the development of children. Environments can be arranged on a continuum of quality from good to bad. There are certain ingredients which are needed for a good quality environment. If the environment is lacking in these ingredients, if it is of poor quality, children's development will be compromised.

Today's hearings are an indication that there is an awareness at every level, from parents to policy-makers and developmental experts, that the development of tens of thousands of children is indeed already being compromised as we sit here today. There are simply not enough child care slots of good quality to fill the need. Many families have no choice but to place their children in facilities which are inadequate. I have visited some of these facilities and am left with grave concern for the children I encountered there.

Mr. Chairman, I support your efforts to address the crisis our Nation's families are facing. I understand that you introduced the Child Development and Education Act of 1989 as a means of developing a bipartisan consensus on the issue and identifying the Federal Government's role in the solution to the child care problem. For that you are to be commended.

There are many parts of the bill which I endorse, specifically, the provisions in Title II for school-based child care. Like you, Mr. Chairman, I believe that schools have an important role to play in the solution to the child care problem. The fact is the problem has reached such crisis proportions that we cannot continue to address it in a piecemeal manner. Rather, we must begin to establish a child care system that is reliable, accessible to all children—I commend the concept of integration; it should be basic—a system that becomes part of the very structure of society. The school, which is a major societal institution with which parents and children are familiar, can provide us with the structure for creating such a child care system, enabling us to offer good quality care to all children.

One aspect of the child care issue that the Nation will have to address, and we have not yet done so, is the cost. Nobody really seems to want to look at what the cost of what we are talking about really is. At present, we have no firm figure on how much it would cost to put in place a child care system, but we do know that the figure is in the tens of billions of dollars. The question is, how are we going to pay for it? School-based child care figure prominently in the cost issue; we already have a trillion dollars plus investment in school buildings which can help offset part of the cost of child care. The rest will have to be paid for as follows: first, through parental fees; second, through State funds. I say this because child care, like education, is not mentioned in the Constitution, therefore like education, child care must be primarily a State-based system. Finally, besides parental fees and State responsibility for child care, the Federal Government has an important role, which is to subsidize the care of needy and handicapped children, as it currently does with Chapter 1 of the Elementary and Secondary Act and Public Law 94-142.

I support a school-based approach to child care because I have seen it work. Last year, I conceptualized a plan for comprehensive, school-based child care and family support services. This plan is known as the 21st Century School program. It has attracted considerable attention across the Nation and has been implemented now in two States: Missouri and Connecticut. It is in the process of being implemented in the Columbus, Ohio school district and Statewide in Wisconsin.

The 21st Century School program and Title II of the Child Development and Education Act have much in common. If I may, I would like to share with the committee what I have learned from the implementation of the program about the possibilities inherent in school-based child care.

The 21st Century School program has five components. First, all-day child care for 3, 4 and 5-year-old children. Second, before and after school and vacation care for both preschool and school-age children. Children who spend half day in kindergarten would spend the rest of the day in child care if the parents' work schedule made this a necessity.

These child care services are provided in the school. In addition to these services, the 21st Century program calls for three outreach services. One is a home visitation program beginning in the last trimester of pregnancy up to the child's third year, modeled after the Parents As First Teachers program in Missouri which offers parents guidance and support to help promote the child's development. Another outreach service is information and referral to help parents with specific child care needs such as night care. The third outreach service is support and assistance to family day care providers in the catchment area of the school.

This latter aspect of the program is of vital importance. Family day care providers shoulder the awesome task of caring for many of the Nation's infants and toddlers. I believe that good quality family day care is an appropriate setting for very young children. The homelike atmosphere, small group size, and individualized attention which this type of care offers is conductive to children's development. However, family day care providers are often isolated from the child care community. They need opportunities for social support, training, and respite that school-based child care services can offer them. In the 21st Century School program, family day care homes surrounding the school are combined into a network with the school's child care system providing the hub of this network.

The 21st Century child care program is based on developmental principles and my knowledge accumulated over 30 years of work on the needs of children. I have specified certain criteria to ensure that the program delivers good quality of child care, that it is made available to all children in an integrated fashion regardless of family income, that it is operated by individuals who have knowledge and training in child development, and that it emphasizes parental involvement.

Parts of the 21st Century School program already exist at some level in communities across the Nation. What is unique about the 21st Century program are: (1) it offers a range of child care and support services under one umbrella instead of piecemeal; (2) the services are school-based, providing us with an opportunity to establish a child care system within which we can work to upgrade and expand services as may be needed. Today, we have no real system for child care, but, rather, a patchwork of different types of services.

The test of any plan, no matter how good it is on paper, can be noted in its implementation. What I have to report in this regard about the 21st Century program is very promising.

First, the 21st Century School program has enjoyed a great deal of support and enthusiasm. As with any new idea, it had its share of critics who continue to voice their concerns. However, the interest in the program has been overwhelming, indicating to me a readiness on the part of parents and schools for school-based programs. I have had requests for information and assistance in implementing the program from school districts in Ohio, Wisconsin, Florida, Wyoming, Utah, North Carolina, Colorado, and other

States. There appears to be a commitment on the part of school administrators to enhance the development of children and assist families with child care.

Second, as I noted earlier, the program has already been implemented in two States. In my own State of Connecticut, the legislature appropriated $500,000 for start-up and operational support of three demonstration programs, one each in an urban, suburban, and rural school district. The Department of Human Resources, which in conjunction with the Department of Education is administering the program, is providing the subsidies for low income children so the schools can offer a sliding scale fee system.

In Missouri, the program was initiated by the Superintendents of Independence and Platte County School Districts. Start-up funds were made available by a community foundation. Some funds for the school-age program and for the staff training were made available by the Missouri Department of Education. This program, as you can see, is a true public/private partnership in Missouri.

The Missouri program has been in operation since September 6, 1987. A total of 1,400 children are being served in 13 schools. I visited the Missouri schools recently. The programs are being delivered according to the principles and criteria I have identified. The programs have yet to operate on a sliding scale fee system. This is where the Federal Government can help. The largest problem with the school approach is how do you get the money to pay for poor children who can afford no fee.

I am especially encouraged by two aspects of the programs; namely, parental satisfaction and its cost-effectiveness. It appears that the school-based child care program can operate on reasonable fees once start-up costs are provided. For the two school districts in Missouri, start-up costs were approximately $180,000. The fees that are now being charged can easily be handled by families who live in the suburbs. They are fees of $45 to $54 a week for all-day child care for preschoolers and $18 a week for before and school school care. These fees are much lower than the national average.

In middle-class neighborhoods, school-based programs can be self-supportive on parental fees within a relatively short period of time. My colleagues in Missouri tell me they will be in the black within one year just on fees alone. There is a need, however, to subsidize the care of low-income families. I would very much hope that this is where the Federal Government would step in.

The 21st Century School plan, Mr. Chairman, is a long-term vision in terms of creating a reliable and stable child care system. I see the Child Development and Education Act of 1989 as enabling schools to start initiating these programs across the country and providing the subsidies necessary for low-income children.

I believe that our ability to institutionalize a child care system, parental satisfaction, and cost effectiveness are three arguments in favor of school-based child care. It is for these reasons that I am pleased to see the provisions for school-based programs in Title II of the Child Development and Education Act of 1989.

Mr. Chairman, I endorse the Title II provision as written; in particular, the financial support for low income children, enabling schools to use funds for start-up costs and enabling schools to subcontract with community-based organizations for services.

The one change I would suggest, however, is that services be made to children beginning at age 3. At this age children are ready for group care, and in the school-based programs I have seen children that age do well, their families are satisfied, and they have the opportunity for continuity of care.

Mr. Chairman, I thank you again for the opportunity to testify in support of a school approach to child care. I would like to submit to the committee my plan, my complete plan for the 21st Century School for the record. I would be very happy to address any questions the committee may have.

The CHAIRMAN. Without objection, the document referred to will be submitted for the record.

[The prepared statement of Edmund F. Zigler follows:]

STATEMENT OF EDWARD F. ZIGLER
STERLING PROFESSOR OF PSYCHOLOGY AND
DIRECTOR, BUSH CENTER IN CHILD DEVELOPMENT
AND SOCIAL POLICY, YALE UNIVERSITY.

RESPECTFULLY SUBMITTED TO THE COMMITTEE ON
EDUCATION AND LABOR, U.S. HOUSE OF
REPRESENTATIVES.

FEBRUARY 9, 1989

Mr. Chairman and distinguished members of the Committee, thank you for the opportunity to share with you my concerns about the urgent need for good quality child care and my thoughts on how, as a nation, we can respond to the problem.

In the course of these hearings and those held during the 100th Congress, numerous witnesses testified to the need for child care, so you have a sense of the magnitude of the problem and the fact that we have reached a crisis stage. Today, there is an extreme shortage of good quality and affordable child care services. What is of even greater concern, we have no child care system within which we can work to upgrade the quality and availability of services.

The situation will not improve without intervention; it can only become worse as more mothers work and more children need day care. In a decade from now we will have 26 million children - or half the population of children - who have either a mother, or both a mother and a father, in the workforce, and these children will be in some type of out-of-home care.

Whether the children will grow up to be healthy and productive members of society depends very much on the decisions we make now about child care.

I say this because a child care facility, whether it is a center or a family day care home, is an environment in which children spend a significant portion of their day, every day. We know from years of research that the environment is a major determinant of the development of children. Environments can be arranged on a continuum of quality from good to bad. There are certain ingredients which are needed for a good quality environment. If the environment is lacking in these ingredients, if it is of poor quality, children's development will be compromised.

Today's hearings are an indication that there is an awareness at every level, from parents to policy makers and developmental experts, that the development of thousands of children is indeed being compromised. There are simply not enough child care slots to fill the need. Many families have no choice but to place their children in facilities which are inadequate. I have visited some of these facilities and am left with grave concern for the children.

Mr. Chairman, I support your efforts to address the crisis our nation's families are facing. I understand that you introduced the Child Development and Education Act of 1989 as a means of developing a bipartisan consensus on the issue and identifying the federal government's role in the solution to the child care problem.

There are many parts of the bill which I endorse, specifically, the provisions in Title II for school-based child care. Like you, Mr. Chairman, I believe that schools have an important role to play in the solution to the child care problem. The fact is, the problem has reached such crisis proportions that we cannot continue to address it in a band aid manner. Rather, we must begin to establish a child care system that is reliable, accessible to all children, and becomes part of the very structure of society. The school, which is a major societal institution with which parents and children are familiar, can provide us with the structure for creating such a child care system, enabling us to offer good quality care to all children.

One aspect of the child care issue that the nation will have to address, and we have not yet done so, is the cost. At present, we have no firm figure on how much it would cost to put in place a child care system. But we do know that the figure is in the tens of billions of dollars. The question is, how are we going to pay for it? School-based child care figure prominently in the cost issue; we have a trillion dollars investment in school buildings which can help offset part of the costs. The rest will have to be paid for as follows: One, through parental fees. Two, through state-funds. I say this because child care, like education, is not mentioned in the constitution, therefore like education, child care must be primarily a state-based system. Finally, besides, parental fees and state responsibility for child care, the federal government has a role, which is, to subsidize the care of needy and handicapped children, as it currently does with Chapter 1 of the Elementary and Secondary Act and Public Law 94-142.

I support a school-based approach to child care because I have seen it work. Last year, I conceptualized a plan for comprehensive, school-based child care and family support services.

This plan is known as the 21st Century School program. It has attracted considerable attention across the nation and has been implemented in 2 states, Missouri and Connecticut. It's in the process of being implemented in the Columbus, Ohio school district and state-wide in Wisconsin. The 21st Century School program and Title II of the Child Development & Education Act have much in common. If I may, I would like to share with the Committee what I have learned from the implementation of the program about the possibilities inherent in school-based child care.

The 21st Century School program has five components. One, all day child care for three, four and five year old children. Two, before-and after-school and vacation care for both pre-school and school-age children. Children who spend half day in kindergarten would spend the rest of the day in child care if the parents' work schedule made this a necessity.

These child care services are provided in the school. In addition to these services, the 21st Century program calls for three outreach services. One is a home visitation program beginning in the last trimester of pregnancy up to the child's third year, modelled after the Parents As Teachers program which offers parents guidance and support to help promote the child's development. Another outreach service is information and referral to help parents with specific child care needs such as night care. The third outreach service is support and assistance to family day care providers in the vicinity of the school.

This latter aspect of the program is of vital importance. Family day care providers shoulder the awesome task of caring for many of the nation's infants and toddlers. I believe that good quality family day care is an appropriate setting for very young children. The home-like atmosphere, small group size, and individualized attention which this type of care offers is conducive to children's development. However, family day care providers are often isolated from the child care community. They need opportunities for social support, training, and respite that school-based child care services can offer them. In the 21st Century School program, family day care homes surrounding the school are combined into a network with the school's child care system providing the hub of this network.

The 21st Century child care program is based on developmental principles and my knowledge, accumulated over a quarter of a century, of the needs of children. I have specified certain criteria to ensure that the program delivers good quality child care, that it is made available to all children, regardless of family income, that it is operated by individuals who have knowledge and training in child development, and that it emphasizes parent involvement.

Parts of the 21st Century School program already exist at some level in communities across the nation. What is unique about the program are: 1. it offers a range of child care and support services under one umbrella instead of piecemeal; 2. the services are school-based, providing us with an opportunity to establish a child care system within which we can work to upgrade and expand services as may be needed. Right now we have no system for child care but, rather, a patchwork of different types of services.

The test of any plan, no matter how good it is on paper, can be noted in its implementation. What I have to report in this regard about the 21st Century program is very positive.

First, the 21st Century School program has enjoyed a great deal of support and enthusiasm. As with any new idea, it had its share of individuals who voiced their concerns. However, the interest in the program was overwhelming, indicating to me a readiness on the part of parents and schools, for school-based programs. I have had requests for information and assistance in implementing the programs from school districts in Ohio, Wisconsin, Florida, Wyoming, Utah, North Carolina, Colorado and other states. There appears to be a commitment on the part of school administrators to enhance the development of children and assist families with child care.

Second, as I noted earlier, the program has already been implemented in two states. In my own state of Connecticut, the legislature appropriated $500,000 for start up and operational support of three demonstration programs, one each in an urban, suburban, and rural school district. The Department of Human Resources which, in conjunction with the Department of Education, is administering the program, is providing the subsidies for low income children so that the schools can offer a sliding scale fee system.

In Missouri, the program was initiated by the superintendents of Independence & Platte County school districts. Start up funds were made available by a community foundation; some funds for the school-age program and for the staff training were made available by the Missouri Department of Education. This program, as you can see, is a true public/private partnership.

The Missouri program has been in operation since September 6, 1987. A total of 1400 children are being served in 13 schools. I visited the Missouri schools. The programs are being delivered according to the principles and criteria I have identified. The programs have yet to operate on a sliding scale fee system. This is where the federal government can help. But they do have scholarships for some children.

I am especially encouraged by two aspects of the program:

1. Parental satisfaction. Parents have expressed their relief at finding child care for their children at a reasonable price. Many parents are also glad of the opportunity to have their 3 or 4 year old child in the same building with an older sibling.

2. Cost-effectiveness. It appears that the school-based child

care programs can operate on reasonable fees once start-up costs are provided. For the two school districts in Missouri, start-up costs for building renovation and staff salaries and training were approximately $180,000. The fees are $45-$54 a week for all day child care for preschoolers and $18 a week for before and after school care. These fees are much lower than the national average.

In middle class neighborhoods, school-based programs can be self-supportive on parental fees within a relatively short period of time. In Missouri, for example, the programs are expected to be operating on fees within one year. There is a need however, to subsidize the care of low-income families. I would very much hope that this is where the federal government would step in.

The 21st Century School plan, Mr. Chairman, is a longterm vision in terms of creating a reliable and stable child care system. I see the Child Development and Education Act of 1989 as enabling schools to start initiating these programs across the country and providing the subsidies to low income children.

I believe that our ability to institutionalize a child care system, parental satisfaction, and cost effectiveness are just three reasons in support of school-based child care. It is for these reasons that I am pleased to see the provisions for school-based programs in Title II of the Child Development and Education Act of 1989. Mr. Chairman, I endorse the Title II provision as written, in particular, the financial support for low income children, enabling schools to use funds for start up costs and enabling schools to subcontract with community based organizations for services.

The one change I would suggest, however, is that services be made available to children beginning at age three. At this age children are ready for group care and in the school-based programs I have seen, children that age do well, their families are satisfied, and they have the opportunity for continuity of care.

Mr. Chairman, I thank you again for the opportunity to testify in support of a school approach to child care. I would like to submit to the Committee my plan for the 21st Century school for the record. I would be happy to address any questions the Committee may have.

Chairman **Hawkins**. Dr. Zigler, in your testimony, on page 8, I notice that you state that fees for school-based preschool programs and also for before and after school care are much lower than the national average. May I ask you, is the reason for the lower fees due to the fact that the schools are covering a part of the cost from State and local revenues?

Mr. **Zigler**. I think that is correct, Mr. Chairman. There are built-in subsidies, the most important of which, of course, is the school building itself. Transportation is paid for out of State education funds. So there is a built-in subsidization for these services within the schools.

Chairman **Hawkins**. My other question is somewhat related. In approaching child care we sometimes lean toward providing custodial care or making the program a little bit more like welfare and, on the other hand, we sometimes lean towards making the program educational. Of these two approaches, which do you recommend?

Mr. **Zigler**. I feel like I am in something of a time warp, Mr. Chairman. We had this discussion in 1971.

The fact is there is nothing more important in our Nation than development of our children. The saddest aspect of what is going on in this country to me is that a two-tiered child care system has developed. We know how to deliver absolutely wonderful care to children of every age. Parents who have the wherewithal, the economic resources to buy it, are buying good care. Our working class families, and even many lower class families, are buying care that I consider to be compromising the development of their children.

As we move forward on the child care front, the quality of the care, its developmental features must be of absolute, top importance. So anybody who talks to me about custodial care is really talking about the destruction of our children.

Chairman **Hawkins**. Thank you for your answer.

Mr. Goodling?

Mr. **Goodling**. I yield to Mr. Kildee.

Chairman **Hawkins**. Mr. Kildee first, and then we will recognize Mr. Goodling.

Mr. **Kildee**. Very good. Thank you, Mr. Chairman.

Dr. Zigler, thank you very much for your testimony and for the fine work you have done in the field of child care. In your testimony and in your other works and articles I have read you stress school-based child care. Even if we do say that is our ultimate goal, what do we do in the interim? And what should the Federal Government do in that interim period, which could be a long time interim period, for children in other types of child care facilities?

Mr. **Zigler**. An excellent question, Mr. Kildee. And let me compliment you on your efforts in behalf of child care legislation.

My plan is a long-term plan. But this country is remiss and sitting on its hands. We knew the child care problem 20 years ago. We have been sitting on our hands while it has gotten worse and worse and worse, so that it has become a crisis.

I think that what I would propose is that we have a long-term plan, which is the plan that I have laid out to you. This is where the country is finally going to go. In the interim period we are going to have to pick out the best pieces of the ABC plan, President

Bush's plan, and we are going to have to work out some kind of a package of services, many of which are in the ABC bill, which would allow us to help the day care situation immediately.

But, if all we do is keep in place a short-term system without taking into account a long-term planning phase—I am not talking at any point of giving the schools a monopoly in child care. If a parent is satisfied with the child care they are receiving anywhere, they are the primary determinants of where their children go.

I am suggesting one more option for parents, and I am also saying that there is nothing in my plan that doesn't allow—we need somebody central to the child care system. We have to make it into a system, and the best core that I could see is the school.

The school could then contract and work with family day care providers, centers. So it becomes a kind of a hub of a system that would make it into a system.

Mr. KILDEE. Well, if we do give parents real options—right now they have no real option. They find themselves fortunate if they can find even poor child care very often, they are so desperate. If we give them real options for quality child care, at least better quality than we have today, won't there be a tendency for the better ones to survive, the better modality to survive and emerge during that interim period?

Mr. ZIGLER. I think that is a true assumption. I think, again, the parallel is what happened to education in this country. When we moved to public education we didn't put the private schools out of business. I hope Gresham's law works. The fact of the matter is—my hunch would be since a parent has got to pay a fee in my system, if they are happy with the quality of what they are receiving, be it profit or nonprofit, they will continue to do so.

Who will probably be driven from the system, I think, is the very poorest centers, of which there are many. And if those centers are driven out of the child care system, I will not shed one tear.

Mr. KILDEE. I thank you, Mr. Chairman. Thank you, Dr. Zigler.

Chairman HAWKINS. Thank you. I would call to the attention of the members the lights appearing on the witness table. The 4-minute warning will be the green light. When that goes out and the yellow light goes on, the members have one additional minute before the red light terminates all at that point. I just want to call that to your attention. And if you keep focus on those lights, you will not embarrass the chair.

Mr. Goodling?

Mr. GOODLING. Is that called the Ford system of dealing with the problem?

I would like to yield to Mr. Grandy.

Chairman HAWKINS. Mr. Grandy?

Mr. GRANDY. Thank you, Mr. Chairman and Mr. Goodling.

Dr. Zigler, just one question. I gather from your testimony that you make a distinction between care from the age of 3 on and care before that age. You would define that care prior to the age of 3 as infant and toddler care, and that you base in what you call family day care providers; homelike atmospheres, you say in your testimony, small group size.

Are you talking about institutionized family day care centers that would act as, in a sense, smaller satellites of a larger hub?

Let me just go one step further. How do you see these things being generated? Are they under your umbrella or are they something that would take into effect, perhaps, some of the church-based providers and others, if there are others?

Mr. **Zigler**. They are already out there. The 0-to-3 period is the very toughest and most expensive period, and becomes probably the most expensive target. Family day care already exists, infant and toddler centers already exist. What we are concerned about, that is where the heterogeneity of care is the greatest. In family day care is where you find the absolute best and the absolute worse of child care. What we have to do is put a floor of quality under those family day care homes.

They want support themselves, so what we propose to do is take already existing family day care homes around the school, tie them into a network, use the hub of that network in the school—the child care system within the school to train, monitor and support those already existing family day care homes.

Mr. **Grandy**. How do you feel about Mr. Petri's suggestion of allowing some kind of a tax credit? That those people that prefer to stay home give up, perhaps, some income to run their own in-house family day care center. Is that an option that you would consider in trying to put together an omnibus child care package?

Mr. **Zigler**. I endorse the concept of evenhandedness. I think that it is appropriate to point out that mothers who stay home are working mothers. I think that the tax credit idea is really a very old idea which is what we used to call the children's allowance that liberals had been working for in this country for 25 years.

Now that we are living in a country in which over 20 percent of children are in poverty anybody that comes up with a plan that tells me they are going to give a poor family $1,000 per child, that is great; but it has absolutely nothing to do with the child care problem of women who work.

Mr. **Grandy**. But, again, are we to exclude families that arbitrarily make that choice to forego income, to forego a larger——

Mr. **Zigler**. In the best of all possible worlds, I would subsidize everybody. Unfortunately, you decision-makers have the very tough task to take a limited amount of money and spread it around a very large population of need. If the money could be found to provide children's allowances for very poor children, that would be wonderful. But don't make the mistake of thinking that if you give a working woman, particularly a single-parent mom—25 percent of the children in this country are being raised in single-parent homes, 90 percent of which are headed by women. Giving that woman $1,000 will not take care of her needs. There would be no way that $1,000 would be an inducement to stay home. She has to bring meat and potatoes home every week. So it is simply a non-solution for that very large group of parents and most other parents.

It is a wonderful bill in principle. I would love to see it in place because it would get a lot of children out of poverty, but it is really irrelevant to the child care needs of the United States.

Mr. **Grandy**. Thank you, Mr. Chairman.

Chairman **Hawkins**. Mrs. Lowey?

Mrs. **Lowey**. Thank you, Mr. Chairman.

Dr. Zigler, as a member of the New York State Child Care Commission for many years, we have had the benefit of your expertise, and I thank you for your excellent testimony.

Concerning school-based child care, I have a few questions. First of all, many of us may feel that school-based child care is the ultimate goal because it would provide child care to all, and I commend you for your plan. However, certainly in New York State as we struggled with this issue, there are a multiplicity of providers. We have the community-based organizations, we have church-based care, and we have school-based care. In some of our schools we do have some child care.

My question to you is, if we were to look at the schools as the ultimate place for child care, considering our budget crisis and considering the financial problems we have, how do we pay for this?

You mentioned in your testimony that in middle-class neighborhoods school-based programs can be self-supportive on parental fees. In my State, child care providers have been paid between $7,500 and $15,000 a year, which I feel is totally inadequate, and we certainly have to deal with it. So realistically, how do we deal with your school-based child care program in paying for it?

Mr. **Zigler**. I believe that over the short-term again the biggest chunk of the money is going to have to come from parental fees because the cost is just great. They are already paying for it. If you are giving them a sound, reliable place, they will pay for it there. The big problem is when we move these schools into the inner cities. We are going to do that in Kansas City and in Hartford, so I will know more in a year or so. But the fact is that is where the big need is.

We really need a fee system that goes all the way from no fee for poor people all the way up to fairly large fees. I know where the country is going, I think, and one doesn't have to be terribly prescient. Over the long haul, these fees I see over the next 20-25 years. Down the track where this country will be, they will say, if you really want to optimize the development of children you have got to be worried just as much about child care as about education.

Finally, when the schools, you know, 25 or 30 years from now they will be paid out of the same tax base that schools are now using. So that is the long-term solution. The short-term solution is fees for people who can afford to pay for them. And what we look to you for, primarily, is money for very poor families who need the service the most but have no money to pay any fee. That is what we need Federal help with.

Chairman **Hawkins**. Mrs. Lowey, have you concluded?

Mrs. **Lowey**. Yes. Thank you.

Chairman **Hawkins**. Mr. Goodling?

Mr. **Goodling**. Dr. Zigler, two questions wrapped up into one. I shouldn't be asking these two questions because I advocate what you are talking about. But I do have two questions.

Number one, much of the research would indicate that many of the gains made by preschool youngsters at the present time seem to be lost in the first couple of years of elementary school. Does that give you any concern?

Mr. **Zigler**. You are misinformed, I am afraid. There is something of a fade-out effect, but we have now argued in my field for

25 years whether good quality early intervention for poor children, poor children only, have long-term effects. That case, as far as I am concerned, has been firmly made today. We have the Cornell consortium data. We have even later data. There is absolutely no question that good early intervention for poor children results in long-term effects on social competence indicators that decision-makers care about.

Mr. GOODLING. Well, we are even finding, for instance, in Chapter 1—and I have been an educator a long time—that as a matter of fact with those long-term gains, there also seems to be a tremendous regression.

Mr. ZIGLER. We are talking about two different bodies of data, so I think we could both come out of this being right. The Chapter 1 data is really very weak. The long-term effects of Chapter 1 programs are exactly as you have described them. There is a whole collection of early intervention programs, more within the Head Start model, the high-scope model—there is a dozen different models, some of which have gone to the school but not through Chapter 1. So Chapter 1 over the long term has not been terribly impressive in documenting long-term effects.

These other early intervention programs with high quality models have, indeed, documented long-term effects. So you have to divide up those two streams of money.

Mr. GOODLING. My second question deals with the fact that we cannot attract the brightest and best to the teaching profession. I don't think it matters much what we do, we are still not going to attract the brightest and best.

Yesterday, I spoke to 335 Presidential classroom students on the floor of the House. The one young lady said, "What are you going to do about improving the quality of education in our schools? It is not very good." And I turned that question around by merely saying, "And you are the 335 of the brightest and best. How many are going to be teachers?" and 10 hands went up out of 335. Even if we put out all sorts of "you don't have to pay back if you go into the teaching profession," et cetera, et cetera, we are going to have a problem.

I would assume that you are talking about strict standards in relationship to certification in your program. Will that create a problem at a time when all of the post-World War II teachers are retiring? We are not getting new teachers in, we don't have the option of saying, "Women, you have two choices, you either teach or you be a nurse," as we once had. Does that give you some heart-burn in relationship to your plan?

Mr. ZIGLER. You are discussing a national problem to which there is no easy answer. But those of us who are concerned about the quality of care, and we are talking about child development experts working in child care whether it is in the school or out. One of the massive problems very much related to quality is the training and pay of the people who care for our children, be they teachers or child care workers. We will never have a high quality system unless we make education at every—and I see child care, really, as being "educare" from 3 to 5. It is the first step towards education.

We have to find some mechanism to upgrade the quality of life for these people, which would include—we are now paying child care workers, on the average, about what we pay animal caretakers, and this is an intolerable situation. So one of the hardest problems to resolve is how do we upgrade the pay of people caring for children. It is a tremendous problem because the pay of teachers and the pay of child care workers is 75 percent of the cost of child care, which means the minute you increase pay, then you increase the cost to the parents if they are paying a fee. So it is a terrible Catch-22 situation.

Chairman HAWKINS. Mr. Poshard?

Mr. POSHARD. Thank you, Mr. Chairman, and ladies and gentlemen of the committee.

Dr. Zigler, I just have a couple of questions in my attempt to understand your model. First of all, what is the relationship between the school-based day care center and the surrounding private pay day care centers? I can see that one of the problems we have with this concept is that people from the private pay centers are going to start yelling their heads off right away that the schools are taking over their business. Do you envision this as an oversight function? Is it information sharing? Does it involve a certification process at all? What role does the school play with the surrounding private pay day care centers?

Mr. ZIGLER. For the private centers, they should play no role beyond the information referral, telling parents that such centers exist. We are talking about a real major change in the nature of our society with this new type of school. They will have the same relation to private providers as public schools today have with private providers, which is a kind of a friendly sniffing at each other, and that is about it.

Mr. POSHARD. Okay. So there is no real competition. Well, there would be competition.

Mr. ZIGLER. There will be competition.

Mr. POSHARD. Sure.

Mr. ZIGLER. You are faced with a very difficult task. There is absolutely no way that you are going to develop a bill that is going to make everybody happy. You are exactly on target.

Mr. POSHARD. Thank you.

Mr. ZIGLER. The minute schools start this, the private sector will say, well they are subsidized, we are paying our taxes. This is why we are looking to you for real leadership. The idea that you are going to come out of constructing a day care bill without somebody being unhappy with you is really a dream.

Mr. POSHARD. Well, I don't think any of us have that dream. But I have one other question. I represent a district that is predominantly rural. It is about 220 miles long and 135 miles wide. In terms of the function of your model, is there any significant differentiation between the way it would operate in a rural area as opposed to an urban area?

Mr. ZIGLER. None at all. Right now, in Missouri, and Platte County is a rural area. We are starting one in Connecticut in a rural area. You will have special problems—transportation. But that is what schools are already dealing with, so I see no special problems for rural areas.

Mr. POSHARD. Thank you.

Chairman HAWKINS. Mrs. Unsoeld?

Mrs. UNSOELD. Thank you, Mr. Chairman. But I will yield my time this round for the witnesses.

Chairman HAWKINS. Thank you. Mr. Jontz?

Mr. JONTZ. Thank you, Mr. Chairman.

Dr. Zigler, I am interested in your observation that at the present time we have a two-tiered care system and that this results in compromising of the development of a lot of children based on economic criteria relating to their family. It seems to me that our success in getting good child care legislation approved by the Congress will depend to a large extent on our ability to make the case that in fact the situation does exist and that the development of children is being compromised because of the system as you describe it; and, second, that legislation we produce will make a difference and will address that problem.

I wonder if you could amplify a little bit for us in terms of criteria by which you measure the difference between quality child care that some receive because of their economic means and child care of a lesser quality which others receive because they cannot afford the better care. Could you amplify on that observation?

Mr. ZIGLER. I will do it very quickly, because I have sitting behind me Deborah Phillips, who is our Nation's premiere authority on the nature of quality and how you define it. Essentially we are talking about staff-child ratios, training of the teachers, size of the group. I am sure Dr. Phillips will go into this at greater length.

The fact is among the experts we have absolutely no difficulty in knowing what we mean when we say high quality as opposed to a custodial setting. We have been working on these standards—I have been working on them since 1968 with the first "Fitker." Experts come together and agree very readily on what children need, what the right staff ratios are. There is no great mystery in what good quality child care is, and a lot of it is out there. People who have got the money go out and buy it. But for many people the fact is there is a very close, positive relationship between cost and quality. There is no free lunch, and many simply cannot afford what good quality care costs.

Mr. JONTZ. Thank you.

Chairman HAWKINS. Mr. Bartlett?

Mr. BARTLETT. Thank you, Mr. Chairman. I apologize for being out of the room a moment ago when I was called on.

Mr. Zigler, I want to see if I understand your recommendation with some precision as to what you would have this Congress do. As I understand, you advocate a model of school-based child care.

First, does your model include school-based child care for under the age of 3 or beginning at age 3?

Mr. ZIGLER. It does to the extent that it provides appearances, for teachers to actually go in the homes to help parents or whoever is taking care of the children, family members, in the optimal development of their children. The other place that it hits the 0 to 3, which is the very toughest and most expensive kind of child care to provide, is by taking all of the family day care around the school and tying it into a genuine network with the hub. I think what we are going to see is many infants and toddlers, as we see today, will be in family day care, and it is that system that has got to be drawn into as part of this system.

Mr. BARTLETT. So you would advocate, then, a school-based system including both but school-based being the hub?

Mr. ZIGLER. It would just be the hub. They don't take the babies into the school building, but they would then reach out to the family day care mothers, train them, monitor them, provide them with support.

Mr. BARTLETT. When you describe the family day care you are describing——

Mr. ZIGLER. This is where all women—where a woman will take in, depending on the State regulations, from four to six children. We also have what is called group family day care where maybe two women will serve 12 children. And that is what it looks like. These is a very little tiny, four or five children settings.

Mr. BARTLETT. Do you find it to be a quality model that ought to be encouraged?

Mr. ZIGLER. I certainly do. It is where the babies, infants and toddlers are now. It is where you can find some of the very best care. The problem is that is where you find really bad care as well. So what has to happen is to put a floor of quality under that by tying these very little places into a network and having somebody in charge, and that is what the school hub would do.

Mr. BARTLETT. Let me focus, then, on the quality question for a moment. We all see anecdotal incidents of low quality or unsafe conditions. Oftentimes, the debate about quality points the finger at the family day care or in-home providers that you describe as having incidents of unsafe conditions, and I think that is correct. What is often left out of the debate is there is a similar number of anecdotal incidents of unsafe conditions in licensed larger day care providers, that are fully licensed and meet all standards, or at least seem to, until an incident happens.

My question is whether there is any quantitative study or comparative study that in fact has reached any conclusions stating that one type of structure is more safe or more unsafe than the other.

Mr. ZIGLER. Yes, there have been such studies, and I think they can be summarized very quickly. Everything you are saying is true. You can find horror stories in both settings. The heterogeneity, the variability tends to be greater in family day care than in centers. The range is bigger in family day care. So for centers you don't go down as far or get up as high, so it is a more constricted range of quality issues. That is about the size of it.

But the secret is having good quality in both kinds of settings because there are horror stories to be found in both. That is another reason I favor the schools, which have a long historical tradition for caring for children in a nonabusive way, and parents trust the schools, and I see moving to the schools as being part of the quality question.

Mr. BARTLETT. You do advocate, then, whatever final—or whatever action that we take as a Nation on child care, including a large mix of heterogeneity or diversity in the provision of that care, or would you tend to homogenize it?

Mr. ZIGLER. I certainly do. In fact, schools that will provide this kind of care in Missouri, they will turn out to be as they already are in Colorado, where they have one school. They will become magnet schools. Parents are so desperate for child care that one way of achieving integration would be to have schools that provide child care and people from all socioeconomic classes will go to these schools. They are doing so in Colorado today.

I endorse what was said earlier. That when we build a system let us not make the mistake of building a system where all poor children go one place. One of the wonderful things about other features of your bill, Mr. Hawkins, is the one mistake that we made in Head Start was not to at the outset find some way to integrate children at a higher income with lower socioeconomic class children. So my answer to the issue of providing a system that allows every child access to it in an integrated way is a very strong principle that has to be built into whatever legislation you produce.

Mr. BARTLETT. Thank you, Mr. Chairman.

Chairman HAWKINS. Mr. Mfume?

Mr. MFUME. Thank you very much, Mr. Chairman.

I don't particularly have any questions of the witness. However, Dr. Zigler, I arrived halfway through your verbal statement, so I went back to read the written transcript to make sure I got a full understanding of the model that you were trying to present and propose. I think it is fair to say, like some of my colleagues, I have some degree of small reservation based primarily in my case on my unfamiliarity with the concept itself. However, I think it is a well thought out, well reasoned, and certainly well intentioned approach to an ever increasing problem that faces us.

I would like, perhaps at a later date, to submit, if I could, Mr. Chairman, some questions to Dr. Zigler based on some ideas that I have, and would ask unanimous consent that I might be able to do that.

Chairman HAWKINS. Without objection, the questions will be submitted to Dr. Zigler, and we would appreciate, Dr. Zigler, if you could respond to the questions of Mr. Mfume and any of the other members who may have them.

Mr. ZIGLER. I will be glad to do that. I also will leave behind in my wake, because I have not presented the entire plan of the 21st Century School, but I will leave for the record that which may answer some of your questions. But any questions beyond that I will be happy to prepare written replies for this committee.

[The information follows:]

A SOLUTION TO THE NATION'S CHILD CARE CRISIS:
The School of the Twenty-first Century

by
EDWARD F. ZIGLER

The White House Conference on Children in 1971 voted child care as the single most serious problem for America's families. That was seventeen years ago. The question then and now is, "How is this nation going to solve the problem of child care?" Over the course of the last seventeen years, I have worked and thought about the problem. Now for the first time in complete form, I am documenting a solution to America's child care problem.

If we look at the numbers, we will have a sense of the magnitude of the problem, which is now called America's child care crisis. The magnitude is reflected in the number of children and families involved. The best dollar cost that I have estimated, $75 to $100 billion, will tell us what it will take to solve this problem. But most important for developmentalists such as myself, is the impact on the development of children that we will face if we do not solve the problem.

Today in America roughly 65 percent of the mothers of school-age children are in the out-of-home workforce. Among preschoolers, that number is now approximately 55 percent; of infants under one year of age, over 50 percent of their mothers are now in the out-of-home workforce. Our best prognostication is that by the year 2000, 75 percent of all two-parent families will have both parents in the out-of-home workforce. What does this mean in terms of the numbers of children? There will be 2 million infants, babies under one year of age; 9 million children over age one and under age 5; 7 million school children ages 6-9; and 8 million 10-14 year olds with mothers in the workforce. Twenty-six million children -- half of the nation's population of children -- will have either a mother or both mother and father in the labor force.

Academics and economists are often engaged in a discussion and analysis of why women are in the labor force. There is no question in my mind that women work primarily for economic reasons. In 1983, it was reported that in two-parent homes, 25 percent of the mothers in the out-of-home workforce came from a family situation where the income was estimated at $10,000. Fifty percent had husbands who earned less than $20,000. Both husband and wife must now work to provide their family a decent standard of living.

In single-parent families, a phenomenon that has grown dramatically, the average income is less than $10,000. "Single-parent" is a euphemism for female head of household, since 90 percent of single-parent families are headed by women. Today in the United States 1 in 4 of all children come from single-parent families. Among our black citizens, that number is now 52 percent. These single mothers have no choice other than go to work, go on welfare, or starve. For this group of mothers, child care is a particularly pressing need which will determine whether or not the mother can work. One final statistic: of all women in the labor force, married or single, 85 percent will become pregnant sometime during their work lives.

Now let us examine the dollar cost of caring for these children. No one in or out of government wishes to deal with the true dollar cost of providing good quality child care to all the children in our nation who require it. The best estimate that we have been able to produce is that it will cost this country $75 to $100 billion a year to solve the child care problem. The Bush Center's Public Information Specialist, Rita Watson, has been engaged in a detailed analysis to determine as realistic and as accurate a figure as possible. We will continue to work on these figures. The fact that our federal government has no firm figure to give to policy analysts and decision makers indicates to me the vacuum of leadership at the national level that we have witnessed for over a decade as the child care problem has ever worsened. How can anyone begin to think about solving a problem until he or she has some sense of the dollar cost involved in the solution?

The most important aspect of the problem, however, is the impact on the development of our nation's children. When a parent selects a child care setting, that parent is not purchasing a service which permits a parent to work, but rather this parent is purchasing an environment. This environment is a major determinant of the development of the child. We must make parents and decision makers cognizant of the fact that environments can be arranged on a continuum of quality from good to bad. If the environment experienced by the child falls below a certain point on this continuum, the optimal development of the child will be compromised. Standards and their expression in licensing codes represent our efforts to objectively define this threshold point on the environmental continuum. There is no doubt in my mind that today in America, hundreds of thousands of children are experiencing child care environments that are compromising their optimal development.

I am particularly concerned about the many thousands of settings that constitute family day care. In family day care homes, which are used by the majority of working parents, one woman will take care of 4 or 5 children in settings that range from excellent to God-awful. If you wish to read the horror stories of what has occurred in our nation's family day care system, I suggest that you read the National Council of Jewish Women's Windows on Day Care. Remember that 70 percent of children under 3 years of age are in out-of-home family day care settings. They are placed there by parents because most parents feel that family day care is more homelike than center care. It is concerning these very young children that we are currently finding our colleagues arguing vigorously about whether or not there are negative effects, particularly for out-of-home care for children under 1 year of age. For further evidence substantiating my concerns, I refer you to the state by state analysis of staff/child ratios in infant and toddler settings in this country which was done by my colleague, Kathryn Young, Acting Assistant Director of the Bush Center.

The experts all agree that the staff/child ratio for infants should minimally be no more than three infants per adult caretaker. Only three states in the United States meet this standard. Six to one, and even eight to one, is not uncommon. No adult, no matter how well-trained, can provide proper stimulation and care to six or eight infants. A staff/child ratio such as this constitutes prima facie evidence that the development of children in such settings is being compromised.

We have, today, the knowledge to provide good quality child care to every child in America, regardless of the child's age. What is lacking in our country today is the commitment and the will to do so. What we actually see in this nation is a two-tier child care system. There are many parallels between the current two-tier child care situation and the situation this country was in when it decided to move toward universal education. Education once looked exactly like child care looks in America today. Some children did wonderfully and went on to Princeton and Harvard and did very well. Others did not.

With child care we see the more economically advantaged purchasing good quality care for their children, whereas parents of many poor children, working class children, and even many children in the lower middle class are receiving marginal or inadequate care. Many children whose development is at risk because of economically disadvantaged life circumstances are put at even greater risk when placed in poor child care settings.

What is the solution? There are proposed solutions which I feel are unrealistic and not workable; these are help from the private sector, charitable organizations, and resurrection of old child care bills.

The private sector solution is one favored by the Reagan Administration. Namely, private business should provide or underwrite the cost of its employees' child care. Senator Dodd, who is currently at the cutting edge of our nation's efforts on behalf of children and families, has pointed out that of the 6,000,000 employers in the United States, only 3,000 assist with child care, and usually the assistance is through information and referral services. We should do all we can to get private employers to do more, but the nature of our private enterprise system guarantees the failure of this approach as a real solution. We do not ask business to pay for education; why should we ask business to pay for child care?

Others have suggested that we give the task of child care to a conglomeration of caring people: churches, YMCA's, and some other non-profit settings. While those who run these institutions have their hearts in the right places, they have neither the money nor the expertise for such endeavors. Some have suggested that we resurrect the 1971 Child Development Bill and put into place a national network of child care settings available to all citizens (along the lines of the Swedish model). Given our federal government's current precarious financial condition, this solution is unrealistic; my counsel is to not waste our energy pursuing it. That time has come and gone. Some have suggested expanding the Head Start program. The new Acting Assistant Secretary for Human Development, when asked recently what the government was doing about child care, pointed to the Head Start effort. The fact is that the Head Start program is not broad enough in regard to the ages that must be served. Furthermore, today it is serving only 15 percent of the children who are eligible for it.

However, there is a new effort. Sixty-five organizations in the United States have come together and have produced what is known in Washington as the ABC bill, named after the coalition, the Alliance for Better Child Care. Spearheaded by the Children's Defense Fund, this group is asking for $2 1/2 billion for the country. This amount would not begin to impact the magnitude of our child care problem. Even if the money is provided, we still would not have the necessary coherent child care system to optimally expend even these small funds.

My plan has taken me over a lot of intellectual terrain. I relied primarily on my own knowledge about the nature of children and what they need. In the process of evolving this plan, I have decided to note explicitly certain principles and criteria that must be met for a satisfactory child care system to come about. If it does not meet these principles, then I would consider it inadequate. The child care system that we provide, and the child care services in that system, must be reliable and stable. We cannot wait each year to see if the federal government will appropriate the required monies. The child care system must become part of the very structure of our society. It must be tied to a known major societal institution.

Child care, like education, is not mentioned in the Constitution, and, therefore, like education, child care must be primarily a state-based system. I do believe that there is an important federal role, however. The federal government should be doing the research that is necessary for adequate child care, and it should be subsidizing the care for the most needy and the handicapped (as it currently does with Chapter 1 in the Elementary and Secondary Act and Public Law 94-142). Our federal people in the executive branch have been slow in providing the kind of leadership that can only come with what Theodore Roosevelt called the "Bully Pulpit".

Another principle is that every child should have equal access to child care and all ethnic and socio-economic groups should be integrated as fully as possible. Let us not repeat the one great mistake of our nation's Head Start program, where we send poor children to one set of centers and affluent children to another.

Another principle is that the primary goal of the system is the optimal development of the children using the system, not that of permitting parents to work. Helping parents to be able to work will contribute to optimal development for two reasons: 1) wages earned by parents are so important to the optimal development of the child; 2) the stress in the working family produced by undependable and inadequate child care negatively affects the development of the child in care.

The central principle of my plan is child care of good quality as defined by those Federal Inter-Agency Day Care standards developed in 1980 and sent to Congress by the Carter Administration. The child care solution must cover the child from as early in pregnancy as possible through at least the first 12 years of life.

Let us not again fall into the trap of magic periods. We are now hearing so much about the first five years of life. While these are truly important years, the next five years are also important. We must remember that half the need for child care is represented by children ages 6 to 12. We must remember also that the developing child is growing from stage to stage, and that each child requires particular environmental nutrients which vary stage by stage. In addition, child care programs must be committed to optimal development of the child across the entire range of human development, not just the cognitive aspects of development. We must optimize physical and mental health. We must be just as concerned with the child's personality development as we are with the child's IQ.

Another principle we have learned is that the child care systems must be predicated on a true partnership between parents and the children's caretakers. We have learned this from our nation's Head Start program and such successful school programs as the Comer project in New Haven. The key ingredient in our child care plan is an adult who cares for the children while parents work. The system will never work unless the adult caretakers are themselves good. We must do everything we can to train, upgrade the pay, and increase the status of those individuals who we ask to care for our nation's children. Does it make any sense to anyone that today in America 75 percent of all adults caring for children make less than the minimum wage? And 90 percent of family day care mothers make less than the minimum wage? We are apparently paying to the caretakers of our next generation about what we pay, on average, to zoo keepers.

Another principle is heterogeneity. We must appreciate the great heterogeneity of children and, while all children will be in the same system, the system must be sensitive to variations and varying needs of children and their families. A family should not be forced to fit itself to the characteristics of our system, but rather, the system should be one able to adapt to the varying needs of the families and children using the system.

And finally, despite the high cost of providing such a system, we should attempt to make the program as cost effective as possible without sacrificing good quality.

We can solve the child care crisis by implementing a second system within already existing elementary school buildings, where formal education takes place, and creating the school of the twenty-first century. This second system will operate on-site child care for children ages 3 to 12, and will have three outreach programs:

- a family support system for first time parents;
- support for family day care homes within the neighborhood;
- information and referral services.

Now, let's start from the beginning, the beginning being infant care leaves as proposed by the Yale Bush Center in Child Development and Social Policy. We convened a national panel of experts who have studied the problem and made formal recommendations to Congress. There is a consensus today among all experts that parents should care for their children during the first few months of life. We should all, therefore, support the current unpaid parental leave bill and move this bill, over time, to paid leave. The Bush Center Committee recommended the provision of six months of leave, three months paid at 75 percent of the salary.

Now let us look at what will happen in the school building. The On-Site Program will offer quality child care for 3 to 12 year olds both before and after regular school hours, and on a full-time basis during vacations. For 3 to 4 year olds, there will be child care within the school building itself, not formal schooling, but care within the school building. For 5 year olds, our recommendation would be for children to have one half day of kindergarten in the formal school system which already is in the building. Then at noon, if the child required it, the child could move over to the child care system for the other half of the day. The school buildings we are talking about would open two hours before formal schooling began and remain open two hours later than the current school day. This would allow for the provision of before and after school care for children ages 6 to 12 as the parents required it.

The child care system in the school building will provide three other services, as I have stated: support for first time parents, support for family day care homes, and information and referral services. For example, the system I am conceptualizing would reach out to parents through child care workers in the school who would work with the parents of infants up to age three. This is taking place in Missouri as part of the "Parents as First Teachers" program. In this program, the parents receive guidance beginning in the third trimester of pregnancy and wise counsel and support to help promote the child's development thereafter. There is an outreach program from the school building to provide this support service for all parents.

Next, we should take all the family day care homes surrounding the school and combine them into a network with the school's child care system providing the hub of this network. That hub, in the school building, would monitor, train, and generally support the family day care mothers.

Finally, the providers in the child care component of the school building will have in place a general information/referral system to help meet other needs such as night care for children. Clearly I am incorporating much that I have learned from American family support groups.

Who would run the school of the twenty-first century? Formal schooling today is in the hands of professional educators, principals and teachers. These educators are already overburdened and are working endlessly to try to upgrade the quality of the formal schooling system. It is not appropriate, therefore, to say to them, "Take over child care as well." Also, most of our current school personnel do not have the training or expertise necessary to work with very young children and their families. If this child care system were in the hands of formal educators, the cost to this nation would be prohibitive.

I see the child care system within the school building headed by someone with a Master's or Bachelor's degree who is trained in early childhood education. Such a person would be in charge of the overall child care system. The day-to-day care of children should then be in the hands of child development associates fully qualified for such a role. This would require expansion of our nation's child development associates program.

The big question in the mind of most taxpayers is who will pay the huge cost of this system? When the percentage of working women reaches a critical mass, that is, when some 80 percent of all women are in the workforce in the twenty-first century, this cost should be absorbed primarily through property taxes. Today education is paid for by taxes. When most women are in the workforce, we can expect that this nation will not be opposed to a tax for child care. However, during the interim period, in order to absorb costs, and to keep quiescent the vocal and active minority of taxpayers who do not wish to see public monies expended to aid women's entry into the out-of-home workforce, I suggest a fee system. Each family that voluntarily chooses to use a child care system in the school will be asked to pay a fee based on a sliding scale. The high cost of good quality child care will demand subsidization by all levels of government, particularly in the case of the working poor who most need this service. To further offset the costs, private businesses should be induced to routinely include child care as a conventional fringe benefit for employees.

The first step in implementing our plan would be the development in this country of 60 demonstration schools (at least one in each state) of the kind that I have outlined. These demonstration schools should initially be funded by the federal government; then the role of the federal government should be to help states move as quickly as possible to open more schools of this type. A bill proposing such demonstration schools that encompasses this model will be introduced by Senator Dodd in the near future.

This plan is the fruit of almost a quarter of a century of my thought on this matter. The child care problem in the United States today is so massive and has been ignored for so long that it is too late to rely on band-aid approaches. We must institutionalize high quality child care for each and every child who requires such care. Our society and our place in the world depend upon the degree to which we optimize the development of every American child, as influenced not just by quality education, but by quality child care as well. The model I have presented today is based on that view.

# # #

Edward Zigler, Sterling Professor of Psychology, is Director of the Yale University Bush Center in Child Development and Social Policy. He was a member of the National Planning and Steering Committee of Project Head Start and was first Director of the Office of Child Development (now the Administration for Children, Youth and Families).

This talk was delivered at the tenth anniversary of the Bush Center in Child Development and Social Policy on September 18, 1987, and at the National Health Policy Forum in Washington, D.C. on September 23, 1987.

Chairman HAWKINS. If there are no further questions, Dr. Zigler, again we thank you, and appreciate your appearing before the committee this morning.

The next witness is Dr. Norton Grubb, from the University of California at Berkeley.

Dr. Grubb, we welcome you before the committee.

STATEMENT OF W. NORTON GRUBB, PROFESSOR, SCHOOL OF EDUCATION, UNIVERSITY OF CALIFORNA, BERKELEY

Mr. GRUBB. Thank you, Mr. Chairman, and members of the committee.

Chairman HAWKINS. The written statement of Dr. Grubb will be inserted in the record at this point in its entirety, without objection.

Mr. GRUBB. Thank you very much. I am pleased to be here. I am pleased to see you addressing this important issue.

I have been asked to analyze for you two kinds of issues: one is the wisdom of using tax credits, rather than direct spending mechanisms, to support child care, and the second is to comment on H.R. 3 and H.R. 30. Before I tackle these two questions I would like to remind you that there are really four strands that have brought us into this room today, that have caused the real interest in child care and early childhood that we see now.

One of them, of course, is the continued increase in the numbers of working women. A second is an interest in providing developmental programs for low-income children so that they can perform better as they go on into the school system and then later in life. A third strand of interest has come from the evidence about the exemplary programs that we see, and I am specifically referring to Head Start and the Perry Preschool program which have shown such strong benefits to children and such good benefit-cost ratios. And a fourth strand of interest is, of course, an interest in providing child care so that more mothers on welfare can work, something that you dealt with when you passed the Welfare Reform Act last fall.

These four strands of interest are not always consistent in their implications for policy. Sometimes they imply quite different programs. But, in my opinion, Federal legislation ought to try to tie those strands together and to develop a bill in which those will all become consistent rather than mutually exclusive forms of interest in your children. And I will come back to that as I comment on these other two subjects.

First, let me comment on tax credits, which have gotten a great deal of attention and support from many commentators and economists for their alleged efficiency. I would like to lay out five arguments against tax credits because I think they are quite weak mechanisms of serving Federal interests and national policy purposes.

But, first, I would like to join Dr. Zigler in his comment on President Bush's proposal for a $1,000 tax credit for low income mothers and low income families. I think it is a wonderful proposal. I think we should all support it. I think we need to get more money to poor children, but we shouldn't consider this a child care program. The money in that proposal is not restricted to child care. Most of the funds, if that proposal were enacted, would not go for child care; they would go for food, housing, utilities, clothing, other necessities like that, and the amount of money, as Dr. Zigler pointed out, is much too low in an era where child care costs $3,000-$4,000 a year. A thousand dollars doesn't do much for that. So it is a wonderful income support program, but it is not a child care program and we shouldn't pretend that it is. And it certainly doesn't address those four kinds of concerns that I began with. It doesn't really do anything akin to them.

Let me outline some arguments against tax credits and in favor of direct spending programs like H.R. 3 and H.R. 30. First of all, it is very difficult to get money through tax credits to low income families. It is not impossible because we have the earned income tax credit which does just that. But, in the past, Congress and the IRS have not been very kindly disposed towards either refundability or forwarding funding of tax credits, and so it becomes difficult, if not impossible, to get money to the poorest of the poor who pay no taxes and therefore find it difficult to get credits.

There are two other problems with getting money to very low income people. One is their information about the tax system is worse than it is for well-informed people who have tax accountants at their disposal, so that they often simply don't know about credits they are eligible for. And, secondly, many low income people don't have any contact with the tax system. They don't work for employers that are part of the tax withholding system. They may be self-employed or employed in a cash economy. So their connection with anything that would allow them to get the credits in a withholding system just isn't there, and there is nothing I know of that Congress can do about that. So my fear is that tax credits will always leave the poorest of the poor out, and I think that that is the group that we should be the most concerned about.

Secondly, it is nearly impossible to do anything about the quality of care through tax credits. It is very difficult to monitor quality. You have heard from various witnesses before, from Dr. Zigler, and many of you have concerns about quality. I think that if we are going to put in place high quality programs, particularly high quality compensatory programs for low income children, it is inappropriate to use tax credits which essentially give up on the issue of quality.

A third problem is that tax credits and other mechanisms which put money in the hands of parents assume that parents are perfectly informed about the alternatives they face. Now I certainly think it is true that parents know their children best, and I would never dissociate myself from that statement. But parents don't necessarily know very much about what child care options they face in the community, nor do they necessarily know how their children would fit in with a child care situation which is not a family-rearing situation.

The resource and referral agencies which Mr. Kildee has referred to have found that parents really are often quite bewildered when they first confront the choices that they face over the child care, and the task of these agencies has been to inform them as well as to inform providers. In California where we have a very well-developed voucher system in child care, everyone agrees that it works appropriately, but only where there are resource and referral agencies to provide information to parents and providers. So I think tax credits in the absence of that information would not necessarily be the kind of efficient mechanisms that some people claim for them.

A fourth problem with tax credits is that the way they operate to increase supply—this goes back again, Mr. Kildee, to your concern about expanding supply. The way tax credits would expand supply is by putting more money in the hands of some families allowing them to pay more, increasing the price of child care so some providers would presumably offer more. That is fine for those people who are subsidized. But if there are people who are unsubsidized, for example, moderate income families who are above the upper income limit for eligibility, those families will see the price of their care go up or the quality of their care go down, and that is a problem with tax credits as a mechanism of public funding that is not true for direct spending as in H.R. 3 or H.R. 30.

Finally, I have to say that I think the fiscal accountability of tax credits is quite poor. We never know quite how much is going to be spent through tax credit mechanisms. We have to estimate the amounts. The amounts are not subject to regular scrutiny through the appropriations process of Congress. Congress, as a whole, has begun to eliminate tax preferences as you did in the 1986 Tax Reform Act, and I think that as long as direct spending mechanisms are available and can be used it is really not a good idea to reverse this trend for early childhood programs.

So I am not in favor of tax credits. I think that they are inequitable. I think that they are not good in their lack of attention to quality. I think that they are potentially quite inefficient if they are put into place where parents are not well informed. And I think they are fiscally not well accountable.

These objections to tax credits don't apply to vouchers. There are voucher mechanisms that exist, and, again, I can tell you a little about the California situation if you would like to hear about it. Vouchers in early childhood education are very different from voucher proposals for the K-12 system, but it is certainly true that they can work. They can be used to expand parental choice. They can—to address Mr. Goodling's concern about the integration of children in child care—they can enhance the integration of low income children into middle-income child care facilities, of minority children into predominantly white child care facilities. They can do many other things to expand flexibility.

Those are not necessarily ruled out in direct spending programs. They would, in fact, be allowed under Title III of H.R. 3 and under H.R. 30, the ABC bill, as well. But tax credits are a quite different story, and I would submit that they are not the best way for Federal policy to go.

Let me make some comments now on H.R. 3 and H.R. 30. I really want to focus my comments on H.R. 3, the bill that you have introduced, Mr. Hawkins. H.R. 30 in its previous incarnation has gotten a great deal of attention, and I will pay less attention to it.

I am, of course, very happy to see a piece of legislation that takes seriously the programs for young children, as H.R. 3 does. There are some other parts of H.R. 3 that I especially applaud. The bill recognizes something that often goes by the board: that most children now need full-time care and that it is no longer appropriate or adequate to legislate a series of preschool programs or half-day programs. The extension of Head Start into full-day programs, for example, is a very good aspect of H.R. 3.

In addition, there is good language in that bill supporting programs of good quality and the need for appropriate training of early childhood workers, and I applaud that as well. And I hope that anything that goes forward from Congress will retain all these aspects.

However, there are some provisions of H.R. 3 that concern me, and, in particular, the tripartite division of H.R. 3 into Title I, Title II, Title III causes me some problems, and let me outline what they are.

First of all, I think that H.R. 3 perpetuates an old division that exists between custodial care on the one hand, and developmental or educational care on the other. Mr. Hawkins, you have already alluded to this division. It does so by having a division between the Title III programs, which are administered by the Department of Education, State departments of educations and local school districts and which have a language in them about promoting an environment which enhances the educational, social, emotional and recreational development of children, and then that is contrasted with the Title III programs administered by the Department of Health and Human Services with purposes dominated less by these sorts of developmental and educational concerns and more with concerns about the safe arrangements while parents worked.

My fear is that under H.R. 3 over time the division between educational or developmental programs in Title II and custodial programs focused more on care while mothers work or parents work, that division would become stronger and we would replicate one more time in Federal policy the division, which is not very healthy.

The reason the division between custodial and developmental programs is unhealthy is because it suggests that programs must be or are either one or the other. But, in fact, all programs are developmental because children continue to develop in them. The only question is whether the programs do so intentionally and are of good quality to sustain that development rather than retarding it. And, similarly, in an era where all mothers are working—not all mothers—where many mothers are working and two-thirds of them are working full time all programs need to be custodial in the sense of at least taking care of children throughout the day. We shouldn't choose between custodial and developmental programs, in my view. I think we need to try to bring those divisions together, and I am not sure that H.R. 3 does that.

A second problem I see in H.R. 3 is its tendency to earmark monies in Title I for Head Start programs and in Title II for school-based programs. I really don't see a good reason for Congress to make the decision about which programs are funded. I think that these are programs that could be made more appropriately at the State level and at the local level and exactly the kind of mechanism that is embedded in Title III of H.R. 3.

I should note that the trend over the past 20 years has been for Congress in general to reduce the amount of earmarking that it does in programs and to allow more local and State discretion, and I think particularly in the realm of young children where I think we all agree that parents need greater flexibility and choice it is important to drive the decision about which programs are funded down to the State and local level rather than having them be made here in Washington.

Let me first talk about some problems with limiting programs in Title II to school-based children. I certainly support public funding for school-based early childhood programs. In my own State of California, and your State, Mr. Hawkins, we have a system of child care programs that have operated through the public schools ever since World War II and they are, by and large, excellent programs and show that public schools can really run very good programs. Public school systems elsewhere in the country have run good programs, too.

Now it is also true that public school systems can run very bad programs. The State of Texas enacted a program with a 22-to-1 child-adult ratio. That is a ratio that is beyond the pale according to any opinion that I know about, and I think there is very little chance that the Texas program can be really very good as long as it sticks to that particular ratio. So schools, clearly, can run very good programs. They can also run pretty poor programs.

The question is not whether schools should be able to participate as they now could in Title III and in H.R. 30, it is whether there is a rationale for giving schools a monopoly over some small pot of money, and here I think there is really no rationale for that. We had a rationale for a monopoly of the schools in the early 19th Century when we were setting up the public school system. We wanted all children to get the same kind of political and moral training. I don't think that justification is appropriate anymore, and there has instead been an attempt to expand parental choice both in the K-12 system, and, of course, I think most of us think that parents of young children should have expanded choice as well.

I think if schools as well as other institutions are allowed to provide early childhood programs, then in many areas of the country, including, for example, rural areas of the country where the schools are almost the only game in town, the schools will provide a great deal of care. In fact, they will probably provide more than the one-third that has been earmarked for them in Title II.

But, in other areas where there are community-based organizations that are especially good or where the school systems have mediocre reputations or where the schools simply don't want to provide early childhood programs, then the restriction in Title II to allowing only schools to provide these programs would hamper State and local choice, and I don't think that that would be a good idea.

I ought to mention that schools are not all enthusiastic about providing early childhood programs. Some of them are hostile to early childhood programs as merely babysitting. Some of them don't want to get into it for fiscal reasons. In California, a number of the school districts have been turning back their early childhood programs for fiscal reasons. So there is no reason to think that every school district in the country would embrace the restriction in Title II to school-based programs.

I also think it would be a good thing in terms of getting the different groups or camps or strands of interest in young children together if schools and other organizations were together under a single funding structure, rather than having schools in Title II and community-based organizations in Title III. At the State and local level, they have a great deal to learn from one another. Community-based organizations could learn from the educational techniques of the schools, and the schools could learn from community-based organizations as well. So I think keeping them separate would not be a good thing to do.

I have similar qualms about earmarking funds for Head Start programs in Title I, again on the assumption that it would be better to allow States and localities to make this choice rather than to constrain funds from the local level. In many areas Head Start programs will under a funding mechanism as there is in ABC get a great deal of funding, but in other areas, for example, areas where Head Start programs don't exist or in areas where Head Start programs are of mediocre quality, then earmarking funds specifically for them would constrain local choice in ways that I think would operate to the detriment of children.

Let me make a third point about this tripartite structure in H.R. 3. It is going to create serious problems with coordination down the line. What it does is set up three funding mechanisms: Title I sets up one from HHS directly to the local level, Title II sets up a funding stream from the Department of Education to State departments of education down to local school districts, and Title III sets up a funding mechanism from HHS down to a single State agency which might or might not be the State department of education. So you create coordination problems at the Federal level because you have at least two agencies, Education and HHS, involved in policy, and potentially two different bureaus within HHS. You create coordination problems at the State level because you have the single State agency and the department of education involved and neither of them has any responsibility over the Head Start programs. And then at the local level you create a number of programs, all providing services for young children but funded with different streams under different eligibility standards and regulations.

So, in five or ten years, if tripartite structure were to remain in place, you would face coordination problems and then you would see Congress moving to enforce coordination by creating yet more coordination councils. We have a long history in Federal legislation of creating separate pieces of legislation at the national level, creating coordination problems at the local level, and then having Congress tell people at the local level that they have to solve the problem that has been created at the Federal level. We have done this in education and training programs. We are going to face it in the Perkins Act and the JTPA case. We have done it in other programs for children. We have done it in programs for the elderly. I don't think it is a good thing to start that process again. I think the most advisable tack would be to develop a single funding structure which floats from the Federal to the State to the local level. That would help eliminate these problems of coordination.

My final point is about an omission from H.R. 3 that I assume is unintentional; and that is, that 3-year-olds were not included in the bill. There are programs for 1 and 2-year-olds, but then neither Title II or Title III includes 3-year-olds who can be served only in Head Start programs. I assume that that was unintentional and can be corrected. But it is a deeper problem than just the oversight of a particular group of children. It really has to do with the continuity of care.

I think we need to set up programs that allow children and parents to have continuous care; that is, where a child can be in the same program from age 2 to 3 to 4 until the age at which that child moves into the public school system. But H.R. 3 doesn't allow that because 1 and 2-year-olds can be—unless children are in Head Start programs, because Title III serves 1 and 2-year-old children in certain programs, then they become ineligible for any programs when they are 3 years old, then they have to move into school-based programs funded by Title II when they turn 4.

So, under H.R. 3, in this sort of particular division between Titles II and III, you would see a lot of children bouncing in and out of programs rather than being able to find a good program and stick with it for several years, particularly during the crucial 2, 3 and 4-year ages. So I think the issue of continuity care needs a little bit of attention. I think it would be desirable to create a structure that would allow continuous care, and I think the divisions between Titles II and III and the omission of 3-year-olds doesn't allow that.

So I think the tripartite structure of H.R. 3 causes some problems. There are certainly some solutions that are available to it, but I do think that it would be advisable to think harder about having a single funding structure that would embrace a variety of programs within it with State and local choice over those rather than specifying many of those at the Federal level.

Thank you very much.

Chairman HAWKINS. Well, thank you, Dr. Grubb, for a very excellent presentation.

[The prepared statement of Dr. W. Norton Grubb follows:]

Testimony of W. Norton Grubb
Professor, School of Education
University of California, Berkeley
before the House Committee on Education and Labor
February 9, 1989

I am pleased to be asked to testify before the Committee on Education and Labor as it considers the important subject of early childhood programs. I am a an economist by training, and am now professor in the School of Education at the University of California, Berkeley. I have written extensively about various programs affecting children, especially about the economic and policy aspects of early childhood programs. I am also the father of two children who were in child care since they were infants, and some of my observations spring from my personal experiences as well as from research and analysis.

I have been asked to analyze the wisdom of using tax credits rather than direct spending as a way of providing federal funding for early childhood programs, and to comment on H.R. 3, the Child Development and Education Act, and H.R. 30, the Act for Better Child Care. First, however, I would like to remind you that the current interest in early childhood programs which has led to the introduction of so many bills in Congress has at least four distinct sources: (1) a continued increase in the numbers of working mothers with young children, most of them (about two-thirds) working full time; (2) an interest in providing developmental programs for low-income children, as a way of better preparing them for school and for the challenges of an advanced society; (3) the evidence about the positive effects and the high benefit-cost ratios of exemplary early childhood programs like Head Start and the Perry Preschool, with the promise that good programs will benefit not only children and parents but society as well; and (4) an interest in providing more child care for mothers on welfare so that they can obtain the necessary education and training, begin working, and become independent of the welfare system. These strands of interest in early childhood programs, each quite powerful, are sometimes inconsistent in their implications for early childhood policy. However, in my opinion any new federal legislation should seek to reconcile all four of these interests. Otherwise the programs that result will be incomplete and address only some of the needs of children and parents.

Tax Credits as Mechanisms of Child Care Policy

Many bills before Congress would use the federal tax system to subsidize early childhood programs through tax credits, in contrast to legislation -- like H.R. 3 and H.R. 30 -- that accomplish the same ends by direct spending. While the Committee on Education and Labor does not have jurisdiction over tax issues, Congress as a whole must confront which of these two approaches to funding early childhood programs is preferable.

Before outlining the serious deficiencies of tax credits as instruments of child care policy, I would like to comment on the proposal of President Bush to provide a tax credit of $1,000 to low-income parents. I support this proposal unreservedly: poor children need more resources, especially because the amount of poverty among children has gone up since the early 1970s while government funding to combat poverty has decreased in real terms. However, *President Bush's proposal is not a child care program*. The funds which parents receive would not be restricted to child care; the amount of $1,000 is far too low -- in a period when good-quality programs cost between $3,000 and $4,000 per year -- to induce low-income parents to buy child care; and the majority of these resources will be spent on food, housing, clothing, and other more pressing necessities. We can all applaud President Bush's proposal as an income support program, but we should not pretend that it is a child care program or that it will address the varied strands of interest that have brought child care to public attention.

Many observers, including many economists, feel that tax credits are good ways to achieve public purposes because they are efficient and they maximize consumer choice. However, in my opinion tax credits are poor instruments of federal policy, at least for early childhood programs, and Congress should instead consider direct spending programs. There are at least five problems with tax credits:

(1) It is difficult (though not impossible) to use the tax system to provide resources to low-income parents, who pay little or no taxes. There are, of course, mechanisms like the Earned Income Tax Credit which provide both refundability and advance funding of credits through the tax withholding system. However, in the past Congress (and the Internal Revenue Service) have strongly resisted extending these mechanisms any further, and so most credits tend to benefit middle- and upper-income recipients. Similarly, an analysis of several proposed tax credit bills for child care reveals that several of them would provide greater benefits to upper-income parents than to lower-income parents.[1]

Furthermore, there are two deficiencies of tax credits, even if carefully structured to reach low-income parents, that Congress can do little about. First, information about tax benefits is worse among low-income families, so that they may not know to apply. Second, many low-income parents do not work for companies that are part of the tax withholding system; they are either unemployed, self-employed, or work for cash in irregular and casual labor markets. These families cannot benefit from any mechanism of forward funding of tax credits, and their children will therefore be left out of the benefits of any tax credit for child care. While I have no estimate of how many low-income children would be left out, I am sure the number is substantial -- and these are likely to be among the very poorest children, the most in need of support.

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[1] "The Child Care Crisis: Are Tax Credits the Answer?", Citizens for Tax Justice, Washington D.C., July 1988.

(2) It is very difficult to monitor the quality of early childhood programs supported through tax credits. Again, it is not impossible: Congress could require, for example, that all child care eligible for tax credits be licensed, or accredited or approved in some other way. But the IRS is not a child development agency, and enforcement would be difficult, so tax credits would give away the ability of the federal government to provide good quality programs.

Much of the recent interest in early childhood programs has been stimulated by exemplary programs like Head Start and the Perry Preschool, and by the widespread publicity about their high benefit-cost ratios; and everyone agrees that compensatory programs for disadvantaged preschool children need to be carefully designed and of high quality. It is therefore inappropriate to leave a concern with quality out of federal legislation, as tax credits would inevitably do.

Advocates of tax credits usually argue that they would not require the creation of a new bureaucracy -- that they would provide "funding for parents, not bureaucrats". Bureaucracy-bashing is a popular sport, of course, but we need to understand what public officials do. In the realm of early childhood programs, many administrators are concerned directly or indirectly with the quality of care, since they formulate and enforce quality standards, decide which providers should be funded, and provide technical assistance to local programs. The decision to use tax credits to avoid creating another bureaucracy is simultaneously a decision to avoid funding these methods of enhancing quality in early childhood programs.

(3) Tax credits assume that parents are well-informed about the child care alternatives they face, and that providers of programs are responsive to parent demand. If these assumptions are incorrect, then parents may make poor choices and the "market" may not respond to increased demand. Resource and Referral (R&R) agencies have been established in many cities and towns, specifically to provide parents and providers with better information; they have typically found parents to be uninformed about the choices available to them, and often bewildered about how to find good programs for their children. In California, which has a voucher program funded by state revenues, there is general agreement that vouchers (similar in many ways to tax credits) cannot be used in areas without R&R agencies. Therefore Congress cannot presume that parents have the perfect information required by tax credits and voucher mechanisms, since R&R agencies are not yet common (except in California, which has established them in all counties).

(4) Tax credits would operate to expand the amount of child care by increasing the demand for care, increasing the price, and causing more child care providers to offer programs. However, this would increase the price of child care for those parents who are ineligible for public subsidy. If federal legislation increased tax credits only for low-income families, families with moderate

incomes might see their costs for child care increase (or the quality of the programs they could afford would fall). Direct spending mechanisms, which expand the supply of care directly without the need to increase prices, avoid this problem.

(5) Finally, the fiscal accountability of tax credits is poor. The resources expended through tax mechanisms must be estimated, and are never known with precision; and tax expenditures are typically not subject to the same regular scrutiny that direct spending programs must go through in the annual appropriations process. Congress has begun to eliminate tax preferences, particularly in the Tax Reform Act of 1986, and -- as long as direct spending mechanisms are readily available -- it is inadvisable to reverse this trend for early childhood programs.

I conclude that tax credits are poor mechanisms of achieving federal goals in the area of early childhood; they are inequitable, irresponsible in their disregard of quality, inefficient when parents and providers are uninformed, and fiscally less accountable than the alternatives.

The arguments against tax credits do not necessarily apply to *vouchers* for early childhood programs, however. Vouchers are often considered similar to tax credits because they expand parental choice. However, they can do so without many of the deficiencies of tax credits. California has adopted a voucher system in its Alternative Payment program, providing funds to local agencies -- often R&R agencies -- which in turn pay for the child care chosen by eligible low-income parents. Funds are thereby directed to those families with the greatest needs; the R&R agency provides information about alternatives, so that parents are well-informed; and the agency also monitors quality so that low-quality programs are not funded. There is general agreement in California that such voucher mechanisms are an appropriate part of a more general child care policy funding a variety of programs; voucher mechanisms certainly can expand parental choice, and are particularly helpful in funding child care in rural areas, and for children with special needs or special hours of care. Voucher mechanisms could be established by states as part of programs funded by H.R 30, for example, expanding parental choice without the drawbacks of tax credits. Given the value of vouchers as part of an overall early childhood policy, I find it unfortunate that H.R. 3 does not allow them to be funded.

H.R. 3 and H.R. 30

Fortunately, given the serious deficiencies of tax credit proposals, there are several excellent proposals for direct funding of early childhood programs, including H.R. 30, the Act for Better Child Care, and H.R. 3, the newly-introduced Child Development and Education Act of 1989. Since H.R. 30 has been widely discussed, I want to focus my remarks on H.R. 3

As an advocate for young children, I am of course pleased to see legislation which would provide additional federal support for children, especially since federal revenues for children's programs have been so badly eroded over the past decade. I am also pleased to see that H.R. 3 recognizes the need for full-day programs, and for expanding part-day programs like those typical of Head Start into full-day programs to accommodate the needs of parents working full-time. The language in H.R. 3 supporting programs of good quality and the need for appropriate training of teachers in early childhood programs is also appropriate, and I hope that Congress will retain this language in any early childhood legislation it enacts.

However, there are several provisions of H.R. 3 that concern me, related to the three-part division of funds into resources for Head Start programs, resources for school-based programs, and resources for infant and toddler programs. In general, I feel that this tripartite division is unwise: it will perpetuate unhealthy divisions in early childhood programs, the earmarking of funds for particular institutions is unjustified, and the division will create serious coordination problems. I will address each of these in turn.

(1) H.R. 3 seems to perpetuate an old, unhealthy division between "developmental" or "educational" programs and "custodial" programs. This division, which extends back to the early years of this century, has pitted the interests of educators and child developmentalists, with their concern for the development of the young child, against welfare reformers and officials more interested in the employability of mothers. In current federal policy, it manifests itself in the difference between Head Start programs, with their low child/adult ratios, developmental emphasis, and supplemental services, with child care funded through Title XX/SSBG, which has lower costs and the employment of welfare mothers as the primary concern. H.R. 3 perpetuates this split with the division between Title II -- administered by the Department of Education, state departments of education, and local school districts, with strong language about "an environment which enhances the educational, social, emotional, and recreational development of children" -- and Title III, administered by the Department of Health and Human Services, with purposes dominated less by developmental concerns than by concerns for safe arrangements to enable parents to work. (While these purposes are taken from H.R. 30, H.R. 3 omits the "Findings" in H.R. 30 that stress the importance of the young child's development and the need for high quality programs.) My fear is that programs established under the two chapters would begin to diverge, and would over time replicate once again the division between "developmental" and "custodial" programs.

This division is unhealthy because it promotes the wrong-headed idea that programs for young children can be one or the other. But all programs are "developmental", since all children continue to develop within them; the only question is whether this development will be carefully nurtured and supported in good-quality programs, rather than being ignored or even stifled in poor programs. Similarly, in an era where most mothers are working (especially most low-income mothers), all programs should be "custodial" in the sense of providing care during a working day, which H.R. 3 wisely supports. One goal of federal policy, in my opinion, should be to knit these two strands of interest in early childhood together -- but the differences between Title II and Title III in H.R. 3 not only fail to do this, they may exacerbate this outmoded division.

Ironically, given the apparent intent in H.R. 3 to designate Title II programs as more "educational" or "developmental" than those in Title III, the legislation does not include adequate requirements about quality in Title II. The programs in Title II would be governed only by "applicable State standards" -- presumably licensing standards -- and would require only that "at least one staff member supervising each group of children" have early childhood training. This would allow programs where only the head teacher has any early childhood training and all other teachers have almost none. In contrast, Title III (and H.R. 30) contains a requirement for a National Advisory Committee on Child Care Standards to propose minimum standards in several areas, include adult-child ratios, group size limits, and qualifications of teachers. Potentially, then, H.R. 3 could support low-quality school-based programs for four-year-olds under Title II and much better programs under Titles I and III. Lest you think this is impossible, I should point out that Texas has a statewide prekindergarten program with a 1:22 adult/child ratio, one which is far too low by anyone's standards and which cannot possibly encourage even adequate programs, and several other states have similar ratios in their preschool programs. If one intent of Title II is to provide high-quality compensatory programs like Head Start and the Perry Preschool for low-income children who might otherwise do poorly in the elementary grades, there is nothing in Title II to assure that will happen.

(2) H.R. 3 earmarks one third of its authorizations for Head Start programs and one third for school-based programs. I see no good reason for Congress to make decisions about the kinds of early childhood programs funded; these are decisions that can be made more appropriately at the state and local levels. Indeed, the trend over the past twenty years has been for Congress to reduce the amount of earmarking and to provide greater decision-making authority to states and localities. Particularly in the realm of young children, where everyone agrees that parents should have flexibility and choice and that there must be local variation to accommodate the varying needs of children, the designation of funds for particular programs introduces an inflexibility and rigidity into early childhood policy, one which can only operate to limit choice at the state and local levels.

There are several problems with limiting the programs in Title II to public schools. I certainly feel that public schools should be eligible to provide early childhood programs. The experience with school-based child care programs in California, which has the most extensive network of such programs, as well as experiences in other states indicates that schools can institute very good programs -- although they may also can also institute poor programs, as Texas has done in its prekindergarten program with a 1:22 adult/child ratio. The issue is whether schools should have a *monopoly* over certain programs, and I see no justification for this. The historical rationale for the public schools having a near-monopoly over education -- the need in the early nineteenth century to establish a common schooling system in which all children would learn a single set of moral and political values -- no longer seems appropriate as a justification for monopoly, and has been replaced by greater interest in parent choice and variety at all levels of the educational system.

If schools as well as other institutions are eligible to provide early childhood, as in H.R. 30 and Title III of H.R.3, then in many areas of the country -- especially where the schools have good reputations, or in rural areas where the schools are the only potential providers -- many of these programs would be provided by school districts. Indeed, in some areas schools might even receive *more* than one third of federal funds. But where there are community-based organizations with strong reputations for their early childhood programs, or where the schools have mediocre reputations, or where the schools are indifferent or even hostile to early childhood programs, then the earmarking of funds in Title II for school-based programs will serve the interests of neither children, nor of parents, nor of the schools, nor of the federal government's interest in stimulating high-quality programs. I should also note that school districts are not uniformly enthusiastic about providing early childhood programs, on both philosophical and fiscal grounds: in Texas many districts denigrated the prekindergarten program as "mere babysitting", many others have obtained waivers because of the lack of facilities and teachers, and some school districts in California are now abandoning their child care programs because of insufficient funds.

The designation of schools as recipients in Title II seems to assume that only school-based programs can be developmental and educational. But this assumption is clearly wrong: most of the best programs in the country, including most Head Start programs, are not in public schools. Furthermore, giving schools a monopoly might encourage some school systems to treat programs for four-year olds as downward extensions of the elementary grades -- with the teacher-directed, overly didactic, behaviorist approach to teaching and learning common to the elementary schools. While the provisions in Title II for training in early childhood education would moderate this tendency, it would also be wise to have both schools and other organizations provide the developmental programs envisioned in this title. Then there would be more variety and choice for parents. Furthermore, if school-based and community-based programs can interact and learn from each other, this provides another way of drawing together the different communities with interests in young children: schools can learn from organizations with different concerns and goals, and community-based organizations can absorb some of the educational techniques of the schools.

Finally, Title II will create problems with the continuity of programs: as children become four years old, they will have to change the program they are in if they are to benefit from federal funding.

In sum, I think it inadvisable to earmark funds for schools. Instead, schools should be allowed to compete along with other organizations for federal funds, as they would be in Title III of H.R. 3 or in H.R. 30.

For similar reasons, earmarking funds for Head Start programs in Title I is not, in my opinion, a particularly good idea. Such a restriction would reduce the flexibility states and localities have to choose the mix of early childhood programs most want and need. Instead, I think it better to allow Head Start programs to be eligible for federal funding -- especially in order to expand to a full day and full year -- under the funding arrangement in Title III or in H.R. 30. In many areas of the country government officials and parents would naturally choose to expand Head Start programs; indeed, in some cases it may be that Head Start would receive more than one third of federal funds. But in other areas --- where there are few Head Start programs, or where Head Start is of mediocre quality -- then parents and officials may prefer other programs, and earmarking one third of federal funds would restrict their ability to do so. Again, such earmarking assumes that Congress can make better judgements than can state and local decision-makers about which local programs are best and most appropriate, an assumption that strikes me as incorrect.

Still another problem is that Head Start programs have been, in most areas, isolated from the rest of the early childhood community. Earmarking funds for Head Start would only perpetuate this division. It would be better, in my opinion, for all early childhood programs to be included under one funding mechanism and administrative structure, rather than creating legislation which divides the early childhood world into several independent groups with different funding.

(3) The tripartite structure of H.R. 3 would create serious problems with coordination. It would create three different funding streams: one for Title I, located within HHS, distributing funds directly from the federal level to local programs and apparently bypassing any state agency; one for Title II, allocating funds from the Department of Education to state education agencies for distribution to schools; and one distributing funds from HHS to some single state agency -- which might be the state education agency, but might in some states be a welfare agency or a special agency for children's programs. This makes the coordination of early childhood policy difficult at the federal level, since at least two and potentially three different administrative entities would be involved; and it also makes the formulation of state policy difficult, since in many cases two state agencies would be involved and states would have no involvement with Title I programs. At the local level, it means that early childhood programs providing similar services would be funded by different mechanisms, with inconsistent regulations and standards.

If Congress adopts this particular approach, then in five or ten years it will begin to recognize the inconsistencies created at the local level by different funding mechanisms, and then require coordination of local programs. There is a long history of Congress creating separate programs and then imposing coordination requirements, when the source of the problem in the first place is federal legislation; this has happened in programs for children, in welfare programs, in services for the elderly, and in vocational education and job training programs. Once legislation is enacted, then interest groups form and make substantial revision difficult; and local coordination efforts are invariably hampered by divisions originating at the federal level. It would be much better to devise legislation at the outset which contains a single funding mechanism, a single administrative agency at the federal and state levels, a single set of regulations, eligibility, and quality standards, and then allows different kinds of programs to develop within this single structure. H.R. 30, the Act for Better Child Care Services, does precisely this; but the tripartite funding structure of H.R. 3 would on the contrary create serious coordination problems.

(4) Three-year olds have been left out of Titles II and III of H.R. 3 -- I assume unintentionally. Unless corrected, this oversight would limit the continuity of care -- that is, two-year-olds enrolled in Title II programs would be ineligible for subsidized programs for a year (except for Head Start programs, which would be filled with their own two-year-olds who turn three) until they turn four and can enroll in a Title III program.

Because continuity in a child's life is desirable, federal policy ought to encourage the establishment of programs which can provide stable and continuous care for children until they leave for the public school system. This implies not only that three-year-olds ought to be incorporated into Title III, but that the current approach of limiting programs for four-year-olds to the public schools (except for Head Start) is inappropriate because it would force children to change programs when they turn four. The continuity of care possible under H.R. 30 is for this reason superior to that which could be achieved under H.R. 3.

In summary, I find numerous problems with the tripartite structure of H.R. 3. To be sure, this legislation would be an advance over the current situation, since federal support for early childhood programs has declined in real terms, and declined enormously relative to the expanding need. But H.R. 3 increases federal support in ways that are inconsistent with diversity and parental choice, in ways that would maintain unnecessary divisions early childhood programs, and in ways that would create serious problems for the continuity of care and for coordination. I conclude that the worthwhile goals of federal policy can be more directly and more simply achieved with H.R. 30.

Chairman **Hawkins**. May I just point out several things concerning your remarks. First of all, the coordination that you speak of cannot be finalized until such time as the bill will include the other components. We recognize your criticism as being valid, however, until such time as the bill is finalized, obviously, the structure cannot be put together.

I think there is a misunderstanding also about the subject of covering 3-year-olds. This is really a misunderstanding because the bill, in expanding Head Start, assumes that since Head Start covers 3-year-olds that they will be covered. So I don't think it is exactly accurate to say that they are not covered.

Let me indicate, however, that if there is any misunderstanding about that, that it is the intent, obviously, to include them. And I think calling attention to that is very valid.

You seem also in your remarks—this is just a matter of clarification—to suggest that there is a distinction which you make between vouchers used in preschool programs as being distinct from vouchers in K-12 programs. Do I understand that you have made such a distinction? That is,that the argument for or against the use of vouchers depends to a large extent on whether you are talking about preschool rather than the use of vouchers in the K-12 program? Am I clear on that?

Mr. **Grubb**. Yes. The argument that I am making is that whatever you may think about vouchers for the K-12 system you shouldn't apply that thinking to vouchers for early childhood programs because they would operate quite differently. The institutions that we now see in early childhood are very different from those in the K-12 system, so that whatever negative aspects there might be in a K-12 system wouldn't be true I think in the early childhood system.

They have operated quite successfully in California, Mr. Hawkins. Not as the mainstay of California's child care program, but as one element among other programs where there is adequate information to parents.

Chairman **Hawkins**. Well, the point I am trying to establish is that the acceptance of vouchers in the preschool program does not necessarily set a good precedent for their expansion into K-12.

Mr. **Grubb**. That is right. There is no reason to make that jump.

Chairman **Hawkins**. Thank you. Also, on page 5 of your testimony you argue that Title III of H.R. 3 has insufficient emphasis on developmental concerns when compared with H.R. 30. Now, as a matter of fact, Title III of H.R. 3 for infants and toddlers was based on the ABC bill, actually, H.R. 30.

Mr. **Grubb**. Yes, that is right.

Chairman **Hawkins**. You seem to me to be saying, therefore, that if the statement of findings in H.R. 30 is included in Title III of H.R. 3, that the developmental emphasis of that title would be completely clear. You are pointing out that which, as I have indicated earlier, we are obviously trying to move in the direction of, in making any child care program inclusive of early childhood development. That is what we are seeking. But am I clear that if the statement of findings as exemplified in H.R. 30 is inserted in Title III of H.R. 3 that then would, in effect, get the developmental emphasis that you recommend we make?

Mr. Grubb. I think that that would help a great deal. My other concern about it really has to do with institutional structures, however. I do understand your developmental and educational focus in Title III. I think that is absolutely wonderful. My concern is that people in general will start to view the programs run through the educational system as somehow intrinsically superior to the ones that flow down from HHS, and it is that institutional division rather than any specific language in the bill that could develop. Now there are always safeguards against that.

Chairman Hawkins. Well, I quite agree with you there are some programs in the schools that are bad. There are some that are good. But that is also true of community-based organizations.

Mr. Grubb. Absolutely.

Chairman Hawkins. So we seem to be not being too logical when we say some are good, some are bad, but it depends on what we intend to do, what we are trying to correct.

Mr. Grubby. And there are, in fact, the safeguards in Title III and the proposals for setting quality standards with this national commission I think are excellent. They would go a long way towards eliminating these low quality community-based programs.

Chairman Hawkins. Thank you. Mr. Tauke?

Mr. Tauke. Well, thank you, Mr. Chairman. And thank you, Dr. Grubb, for your testimony. I had an opportunity to review your testimony, but, unfortunately, another hearing kept me from hearing the early part of your oral testimony. I still am not sure that I have a clear picture of what kind of program you would design if you were in our shoes. Perhaps you might take just a moment to tell us if you were chairman of the committee, and you had a committee that would always go along with you like our chairman——

Mr. Grubb. Let me provide you the vision, and I have to apologize for the fact that it draws a great deal on the California experience. But it is not only the one that I know the best, but it also happens to be the State system which is the best developed in the country.

If there was a single funding structure from the Federal level that then went down to the State level, then there could start to be deliberations at the State level about the kinds of programs enacted locally. There also needs to be a State and local piece of that so that many of those decisions end up getting made at the local level, and not in Sacramento and the other State capitals of the world.

But this is essentially a recommendation that there be a single funding structure with some development of State policy, and strong State policy, that can then make clear decisions about what programs are most appropriate given the conditions that vary from State to State.

Now I have to say that this funding structure looks quite similar to the one that is in Title III of H.R. 3, and in H.R. 30, the ABC bill, which does precisely that. So that much of my vision for how a Federal program would be structured would be in Title III of H.R. 3, which essentially takes the funding mechanism for H.R. 30. Then it would remain for the Federal Government to make sure that in fact States provided adequate leadership and really did a competent job of developing their programs.

But, again, in Federal legislation that is before us, many of those safeguards are already in place, the National Commission that would examine quality standards and so forth. So I think the answer to my question, I certainly would tinker with some aspects of Title III of H.R. 3 and with H.R. 30, but I think that basic structure has been gone over at great length. It has been examined by the early childhood community quite substantially, and I think most of those elements are really quite good.

Mr. **Tauke**. How much money would you put into your program?

Mr. **Grubb**. How much money would I put into my program were I czar? Well, I have to agree with——

Mr. **Tauke**. No. No, just chairman of the committee.

Mr. **Grubb**. Oh. Just chairman of the committee?

Mr. **Tauke**. Operating within the constraints in which we operate.

Chairman **Hawkins**. He is no czar, I will tell you that.

[Laughter.]

Mr. **Grubb**. There is no question that Ed Zigler is right. That if these programs were fully funded they could cost tens of billions of dollars. Let me give you some figures.

In California, which typically spends 10 percent of the money on programs in the country, because we have got about 10 percent of the population—we spend $320 million on child care programs and we serve 7 percent of the eligible children, who are those under 84 percent of median income. If we were to expand the program to all those under 84 percent of median income, we would have to multiply $320 million times 14, which comes out to a figure of, roughly, $4 billion, and if we multiply that times 10 that is $40 billion for the country as a whole.

The point is that when you begin engaging in this exercise you can see the requirements are enormous. We will move to them over decades, I assume, just as 150 years ago it took us decades and decades to move to a public schooling system, which we now accept as a fact and inevitable. I think the amounts of money as starters are fine, but I think we shouldn't fool ourselves that it will be enough.

Mr. **Tauke**. Part of the concern of many of us is that, if we have a limited amount of money to spend, how do we best apportion the funds? And, in part, the question is do you try to provide, in essence, full funding for a few children or do you try to use the money to stimulate the development of services by State and local governments or maybe community groups? That is one of the challenges before us, and if I am hearing you correctly, in essence what you are saying is serve the 6 percent or the 7 percent that you can afford now and then maybe down the road you can expand that.

Mr. **Grubb**. In my view, it would be preferable to serve a limited number of people, of children, in good quality programs than to give small amounts of money to parents who then can't really use that to upgrade the child care that they use. If you give them a thousand dollars, in fact, it is not going to buy child care. It will buy something else, but not the kind of high quality programs I think we are looking for.

Mr. **Tauke**. Thank you. Thank you, Mr. Chairman.

Chairman **Hawkins**. Thank you. Mr. Kildee?

Mr. **Kildee**. Thank you, Mr. Chairman.

You mentioned that H.R. 3 tends to promote a division between custodial and developmental child care. Is there any phase of child care that is solely custodial?

Mr. **Grubb**. That is or should be?

Mr. **Kildee**. Should be, let's put it that way. I know there is some warehousing.

Mr. **Grubb**. No, not in my opinion. You know, there shouldn't be any level that should be merely custodial. Some people argue, for example, that after-school care for children in the primary grades could be custodial. You know, 15 kids in a room with someone to make sure they don't break their arms and legs, and let it go at that. I don't think that that is appropriate.

Those kinds of programs can get wild and out of control. They are not good places for children to be. They leave them frazzled. They leave them bored, and I don't think there is a justification for them at any level of the system.

Mr. **Kildee**. Assuming that we maintain the three funding streams in H.R. 3, how could coordination be better enhanced?

Mr. **Grubb**. Well, the typical way is to set up coordination councils at the State and local level, and to force everyone to talk to one another. That is what we do in JTPA and Voc. Ed., in the Perkins Act. That is what we do in other children's services and services for the elderly. I think that the record of these coordination councils has in large part been dismal. It is a good thing to get people to talk together, but it doesn't necessarily cause them to change their programs, and rarely do these coordination mechanisms force people to get together or force them to reallocate funds across branches.

For example, there are no mechanisms in H.R. 3 as it now stands that would enable a decision to be made in a place where there are no Head Start program to transfer funds from Title I into Title II or III, and so the discussion can go only so far. Discussion is better than nothing, but it is usually not very good.

Mr. **Kildee**. You mentioned the importance of parents having access to resource and referral programs. What level of involvement should parents have in actually implementing child care policy?

Mr. **Grubb**. You mean in making decisions at the local level and the State level?

Mr. **Kildee**. Yes.

Mr. **Grubb**. Well, I think it is a good thing to include parents on any of these advisory committees that are established. If I remember correctly, the advisory committee required in H.R. 3 and H.R. 30 does include parents, does it not? And I think that that is perfectly appropriate.

I would also envision that if there were a Federal-State-local division of responsibilities that there would also be local councils which would include parents. And, in fact, where mayor's advisory committees have been set up around child care issues they always include parents and provide some voice for parent interest to be expressed. I think that is completely appropriate.

Mr. **Kildee**. Thank you very much. Thank you for your testimony.

Chairman **Hawkins**. Mr. Bartlett?

Mr. **Bartlett**. Thank you. Mr. Grubb, I want to explore with you just a bit because I want to focus in on what you would recommend that we do to promote diversity. You say in the conclusion of your testimony, that H.R. 3 increases Federal support in ways that are inconsistent with diversity and parental choice. On the flip side of that, if you were drafting the bill, would you include in the bill Federal standards for child care? And how would that allow for diversity?

Mr. **Grubb**. When I said that H.R. 3 limits diversity it is because there will be some areas of the country where limiting Title I to Head Start and limiting Title II to school-based programs will limit abilities to make choices in other ways. That is what I meant by limiting diversity. So to remove those kinds of constrictions would open up choice.

Now it might be choice that wouldn't be exercised. In some regions of the country they would be perfectly happy to spend a third of the money on Head Start and so forth, but in other areas that might not be true.

To address your question about quality standards, if I were czar or chair and writing the bill, I would put in three or four Federal prescriptions relating to quality. One is a ratio of 10 to 1, a maximum ratio of 10 to 1, because I think that that is a ratio that there has been a great deal of consensus on. Second, I would put in a requirement about early childhood training, and there is, in fact, in H.R. 3 already a good deal of that language. Third, I guess I would put in some language about parental participation in developmentally appropriate care. But many of the other aspects of quality are really very difficult to write in precise legislation. They are very difficult, for example, to handle in State licensing codes and it is not clear that State licensing codes get to them. But the national commission that is proposed both in this legislation and the ABC bill which sets up a council to examine the issue of quality and provide guidelines and technical assistance, and so forth, would go a great way to providing models of what good care is.

Mr. **Bartlett**. Would you recommend that commission be limited to offering models? Or would you have the commission, like in H.R. 3, actually setting the standards?

Mr. **Grubb**. Well, what I have said is I would include in the legislation a very small number of very clear standards, ratios, group size is another one I forgot, a limit on the group size, early childhood training and parent participation, and then the commission itself could address its efforts towards those more subtle aspects of early childhood programs. They are difficult to put in regulatory language.

Mr. **Bartlett**. And using those standards to encourage diversity, would you then expand Federal child care support to the more traditional child care? Or perhaps nontraditional—according to Federal legislation—child care facilities, church-based facilities, in-home child care, unlicensed child care of the family day care providers—that in many States are unlicensed because they have fewer than four—would you expand Federal support to those also?

Mr. **Grubb**. I would have qualms about extending Federal support to unlicensed facilities. I don't think that that is a good idea at all.

Mr. Bartlett. Too diverse for you?

Mr. Grubb. Well, it is not that it is too diverse. It is that some of those facilities may be very bad for children, and that if they are going to quality for Federal support they ought to be of sufficient quality so that they can qualify under licensing standards.

I would certainly extend Federal support to family day care, and there is plenty of room for that in Title III of H.R. 3 and in H.R. 30. I would certainly extend Federal support to church and temple-based care because they have been providers that have provided more—they have provided more of their own resources to young children than I think any other sets of institutions in the country, and I think that that is completely appropriate. And I think there are many situations in which in-home care, for example, by relatives, ought also to be supported. That is something that can be done with these little voucher mechanisms, incidentally, for parents who really need to be working but would like to have someone come into their home.

Mr. Bartlett. Would you have a different set of standards for in-home care, for example, or the same standard as a larger institution?

Mr. Grubb. May I duck that question? I am not quite—I think that there should be some standards——

Mr. Bartlett. You can take the excuse of the red light if you choose.

Mr. Grubb. I think that that is a very tricky issue. I think that there probably need to be some in-home care standards if there is Federal support going into it. Because, again, if you look at this from the child's eyes, we don't want any of them to be in care, whether it is in their own home or out of their own home, which is really substandard.

Chairman Hawkins. Mrs. Lowey?

Mrs. Lowey. Thank you, Mr. Chairman.

Dr. Grubb, in your successful California system, I am particularly interested in the role, if there is one, of the private sector. In New York State we have been trying to encourage on-site child care centers realizing that in order to fulfill the need in the short run, while we are waiting for the long run solutions and working on them, we have to encourage the corporate sector, and this has been rather slow.

Is there a role? Do you encourage it? And how does it work in California?

Mr. Grubb. Well, I think it is fair to say it has been slow in California, too, and not for lack of any efforts. There have been tremendous efforts to try to get corporations to fund early childhood programs. There is a very small number of them that do it. The same names turn up time and time again. In the last list I saw of the corporations providing early childhood programs at least half of them were hospitals, other kind of quasi-public institutions, or corporations that have some sort of public interest bent to them, for example, Tom Hayden's Committee for Economic Development down in Santa Monica. So that the number of real true blue profit-making corporations that offer early childhood programs is pretty slim.

I think it is something child care advocates need to continue to work on, but I don't think we should hold out much hope that there will be a great deal of support coming from corporations for a long time. And I particularly think it would be quite inappropriate to try to institute special incentives for corporations, for example, through the corporate income tax, because I think that those would be really quite inequitable. The people who would benefit from those would be people who work for large corporations, who are typically better paid and are not low income. They would be quite inefficient in the sense that they would reward a few corporations already providing early childhood and probably not induce many more to enter that area. So I think it is an area which has in California, as in New York apparently, not lived up to the hopes that many people have had for it.

Mrs. Lowey. You guessed my second question. Now another question that I have concerns the California coordination mechanism. In New York State we worked for a long time in trying to establish one child care entity through which all the programs would flow. Westchester County—my county—has been successful in establishing a child care entity, an agency through which monies from the private and public sectors flow. The coordination is rather good, not perfect but rather good.

I wonder if you could explain further the mechanism on the State level through which funds flow in California?

Mr. Grubb. Well, what happened was that several years ago the State Department of Education which had run these programs since World War II also received the Title XX programs, the programs that funded child care for welfare moms. And so by including those Title XX programs—now they are Social Services Block Grant programs—by including those within the Department of Education, the Department of Education had the control, so to speak, or the responsibility for all the publicly funded child care programs in the State with the exception of Head Start, which is not under that.

Now what happens with child care provided through the work fare program, GAIN, and what happens with the new Welfare Reform Act with the jobs programs is anyone's guess. But it is by concentrating all of the programs within one agency that it has been possible to do something about coordinating programs.

Now the problem is that what happens at the Federal level also happens at the State level. California State legislators keep on enacting new little programs, and so we have a program for centers in schools and centers in community-based organizations and migrant care and family day care and resource and referral agencies and campus-based care—we have about 18 or 20 programs.

Mrs. Lowey. We are familiar with that too.

Mr. Grubb. And coordinating all of those even though they are in the same agency is a mess. So there is now a move afoot for guess what?

Mrs. Lowey. New coordination mechanisms.

Mr. Grubb. New coordination mechanisms and putting them back together. So we recreate many of these things at different levels, and I think again the counsel from all of that is it is best to create a single structure with variation within it than many small structures that become harder to coordinate later.

Mrs. Lowey. Thank you.

Chairman Hawkins. Mr. Poshard?

Mr. Poshard. No questions, Mr. Chairman.

Chairman Hawkins. Mrs. Unsoeld? No questions.

Mr. Jontz?

Mr. Jontz. Thank you, Mr. Chairman.

Dr. Grubb, I want to make sure that I understand one of your arguments with regard to tax credits. Dr. Zigler described to us a situation in which consumers of child care make different purchases based on their purchasing power, and your criticism of the tax credit approach is that the individuals who would receive the tax credits have other needs with regard to shelter, clothing, et cetera, et cetera, which would probably result in the use of that tax credit not to increase their purchasing power in the area of child care but rather to meet other unmet needs. Is that a fair summary of your argument?

Mr. Grubb. Well, there is two ways you could structure tax credits. In President Bush's proposal every family gets a tax credit of $1,000 and it is unrestricted as to what you spend it on. So, if I were a poor family earning 8,000-10,000 bucks a year, I don't think I would go out and spend that on child care. I would probably spend it on food and rent.

The other way to structure tax credits is the way we do in the current dependent care—the dependent care tax credit, which is to say you get a credit only if you spend the money on child care. Now, in that situation you do spend the money on child care, and it is, you know, restricted to that.

So you could do it in either of those two ways.

Mr. Jontz. Okay. That answers my question. Thank you.

Mr. Grubb. I answered the question?

Chairman Hawkins. Dr. Grubb, we appreciate your testimony. Thank you very much. We will continue to call on you from time to time, I am confident of that.

The next witnesses will be on a panel, and I would ask that they assemble at the witness table: Dr. Deborah Phillips, Ms. Nancy Travis, Dr. Lynn Kagan, and Dr. Sandra Hofferth.

Dr. Phillips, we will hear from you first, and then we will call on the other witnesses in order. We would hope that the members will then be able to address either one of the panelists.

The testimony of each of the witnesses will be inserted in the record, and we would appreciate them summarizing their major points so that we will have an opportunity to address questions to each of the witnesses.

Dr. Phillips, we will call on you first.

STATEMENTS OF DEBORAH PHILLIPS, PH.D., ASSISTANT PROFESSOR, DEPARTMENT OF PSYCHOLOGY, UNIVERSITY OF VIRGINIA; NANCY TRAVIS, EXECUTIVE DIRECTOR, SAVE THE CHILDREN; LYNN KAGAN, PH.D., ASSOCIATE DIRECTOR, BUSH CENTER; SANDRA HOFFERTH, PH.D., SENIOR RESEARCH ASSOCIATE, URBAN INSTITUTE

Ms. PHILLIPS. Thank you. It is a delight to be here today. This is an issue that I have spent most of my adult years working on, and it is really rewarding to see this committee dedicating their energy and commitment to this issue. I thank Mr. Hawkins, in particular, and also Mr. Kildee, for his work on the ABC bill.

I have been asked to address a couple of issues. One is questions about Federal standards and quality of care. The second is to talk a little bit about salaries and child care staffing issues, and I want to include in that some discussion of turnover rates in child care. Both of those issues are really the fundamental questions about quality of care for children in child care.

The capacity of any child care legislation to affect the quality of child care is crucially important for only one reason. It affects the environments that children are experiencing day in and day out, month in and month out, year in and year out during the most critical years of their development. Children's development is never put on hold, and the question we are facing here is whether we want to protect it, maybe even promote it, or whether we are going to compromise it and gamble a little bit with children's development.

Some have argued that quality suffers in child care because we really don't know how to define quality because there is no consensus among experts about the basic ingredients of quality care. Nothing could be further from the truth. We know how to provide decent and safe child care in this country. We even know how to provide fabulous child care in this country. We now have over a decade of research directed specifically at the question of what is good for children in child care. This literature is consistent and it is unambiguous, and it is evidence, first of all, that child care varies widely in quality; and, secondly, that better child care is better for children, not a very surprising finding.

But more importantly for your purposes, research has identified three critical ingredients that can be regulated that seem to have, really, a very profound effect on children's development and child care. The first is staff-child ratios. The second is group size. The third is care-giver training. You have already heard these this morning. These features were first identified by the Federally funded National Day Care study. It was conducted in 1975, results came out in the late 1970s. Subsequent research on a much smaller scale in different sites around the country have replicated these results again and again. So has research in Canada and research in Bermuda, for that matter.

These three factors appear to be important because, basically, they enable care-givers to provide children with the nurturance and the interaction and the instruction that they need to develop well. For example, in the National Day Care study in classrooms with small groupings of children, for example, at most seven infants together in a classroom, care-givers were observed to interact in much more appropriate ways with those days. They are more likely with older children to assure that the children are not wandering aimlessly around, which you do see a lot in child care; that they are not sitting and watching television, but that they are engaged in appropriate tasks. The children were found to be more cooperative and more involved in their tasks, and their test scores showed greater improvements compared to the scores of children in smaller groups. Those are very striking, very tangible kinds of results.

Researchers have recently identified an additional element of quality in child care, and that is staff stability, the inverse side of staff turnover. We even have longitudinal data at this point suggesting that the stability of children's child care is associated with their levels of achievement in first grade.

The bottom line about quality in child care can basically be summarized with three words: child care workers. Given the vital importance of child care staff, not only to children, but also to parents and to their employers, one might expect child care work to be among the most highly paid jobs in the country. You know that it is not. It is not only poorly paid, a recent study by the National Committee on Pay Equity ranked child care teachers and providers as the second most underpaid workers in the Nation. Only the clergy earned less.

Nowhere have I seen a more conspicuous and striking gap than that between the research evidence which points to the staff in child care as the cornerstone of quality and indicators of the actual value that we as a Nation place on child care work. In 1984, 58 percent of center-based child care workers earned poverty-level wages. Their median annual income for full-time workers was just slightly over $9,000 a year. The poverty level in 1984 was $10,610 a year. In 1986, the median annual income of child care workers remained under $10,000. The poverty level had increased to slightly over $11,000.

The salaries of child care workers, as one child care worker said to me, are right up there with janitors. They are also right up there with parking lot attendants, bartenders, and people who take care of our pets. Interestingly, in the GAIN program in California—perhaps Norton can expand on this—an individual who was involved in crafting that program explained to me that there was some consideration given to using child care workers as one of the possible employment options for the women who were involved in GAIN, and it was subsequently eliminated because they discovered that they wouldn't earn enough money providing child care to get them off of the AFDC rolls.

Some say that these low earnings derive from the low educational level of child care workers. Again, I turn to the National Day Care study for the facts. In 1977, center-based child care workers had on average 14 to 15 years of formal education. Close to 30 percent had 16 or more years of formal education, twice the percentage among all employed females in the United States at that time.

Does it matter? Should we care that child care workers are basically underwriting the real cost of care by working for poverty level wages? There is growing evidence that salaries are very closely tied to turnover of child care staff. Child care workers have the highest rates—among the highest rates of job turnover of any occupation that is tracked by the Department of Labor. It is set at 42 percent among center-based workers and close to 60 percent among home-based child care workers. The center-based rates are more than double the average rate of turnover in all occupations, which is 19 percent.

I am involved now in following up some child care workers that we have been studying in the National Child Care Staffing study. We are calling them six months after we saw them in their child care centers, and about 30 percent of them—these are only preliminary data—are no longer in the centers where we found them six months ago. That is not even a year long turnover rate.

When you ask child care workers why they leave, they tell you that they love child care work, they wish they could continue to work with children, but they truly cannot support their own families on their child care wages and they see no hope for improvement. In northern Alameda County, in California, researchers survey child care workers every two years. Their 1988 survey revealed a decrease in teachers' and directors' salaries compared to 1986. During this same time turnover rates among teachers climbed from 17 percent to 36 percent. This was in contrast to their 1984 to 1986 data during which time both salaries increased and turnover dropped.

If you were to ask me what is my single greatest concern about children in child care, I would tell you that it is the remarkably high rates of staff turnover fueled by poverty level wages. Let me turn, then, to talking a little bit about State child care standards. It is important to look at State child care standards for a couple of reasons.

First of all, it is the only indicator we have at this point on a national level of what the face of quality really looks like out there in child care. We really have no national data on the quality of care in child care. Secondly, State standards are important to examine because some argue that States are already doing a perfectly adequate job of regulating quality in child care, and therefore we don't really need Federal day care standards.

So we have to ask, Have States, in fact, shown evidence of incorporating the research base that tells us what is good for children in child care? Some have. In fact, many have. But others have not, and a significant minority has not.

This past summer I had the opportunity to review the State's child care standards for the Department of Defense. Each of the four branches of the military has uniform child care standards for centers and family day care homes regardless of where that center or family day care home resides. The four sets of standards are also highly comparable. The military is now reexamining those standards with, at least my understanding, the intent to, perhaps, upgrade some of those standards.

Even a cursory review of State child care standards as of 1986, which is almost recent data, reveals tremendous variation from one State to the next in the provisions of their standards. For example, 28 States have no group size requirements for child care centers. With respect to ratios in center-based care, Georgia and North

Carolina permit staff-child infant ratios of 7 to 1 for infants one year of age and younger. At the other end of the spectrum Kansas and Maryland have ratios of 3 to 1 for infants. Twenty-nine States require staff-infant ratios of 1 to 4 for children age one year or younger. Ten States have staff-infant ratios of 1 to 6 or worse.

For 2-year-olds, 21 States have ratios of 1 to 6 or better, but 11 States allow one adult to be responsible for 10 or more 2-year-olds. For preschoolers age three and four years, States vary from the 17 that have ratios of 1 to 15 or worse to the 19 States that have ratios to 1 to 10 or better.

Training requirements are among the weakest provisions of State licensing laws. Twenty-eight States require neither prior experience in child care nor training in early childhood education for family day care providers. Twenty-seven States have no education or training requirements for center-based staff.

This is not just a litany of statistics. I could go on and on with those. It is variation that affects families and it affects children. A colleague of mine, Carollee Howes, actually did a study in California where she divided child care centers into those with ratios that met the California standard for infants of 1 to 3, for toddlers I think it was 1 to 8. They had trained staff and they had stable staff. Then she looked at children who were in centers with worse ratios, very little training, and very unstable staff. She followed those children until they hit first grade and found that the children in the better child care centers showed better school performance than the children in the worse child care centers.

Another source of information about the current status of quality in child care comes from those of us who are out there in the field studying and providing child care. I want to tell you what I am seeing in a study of child care staff that I am conducting now in collaboration with Dr. Carollee Howes at the University of California, Los Angeles, and Marcy Whitebook, of the Child Care Employee Project.

What we are trying to do in this study is to get some basic facts on who is providing child care. We have a very woefully inadequate data base. We are also trying to look at the job commitment and stability of this labor force, their training, how much experience they have, who they are, and then more importantly, perhaps, trying to relate those aspects of staffing to the quality of care that is received by the children in child care. We are presently analyzing the data. In June, we will be presenting our first results, and I would be more than happy to come back and brief you on the results of that study. In October, we will be releasing our final report including a policy report of our findings.

Today, what I want to do is share a couple of impressions with you from our site staff and also from my own visits to the over 200—I didn't go to them all. There were 200 child care centers that participated in this study in five cities—Atlanta, Boston, Detroit, Phoenix, and Seattle—trying to represent a broad spectrum of the country.

The process of conducting the study itself brought home several lessons, the most dramatic of which did concern turnover rates. It was not unusual for us to schedule a visit one week in advance of going to the center in order to interview the staff and then discover that the staff with whom we had scheduled the interview had left the program. In Phoenix, one center went through 26 staff in one year to maintain their staff of six adults. A center in Atlanta lost both toddler teachers during the two weeks that we were collecting our data, and the director turned to our research assistant at that point and said, "Oh, dear. We run through staff just about every two to three weeks." Children are faced with revolving door staff. In contrast, in Boston, where Massachusetts has very high standards for staffing, we never missed an appointment with one of the care-givers in the study.

We are also seeing a child care market that is living on the edge of compliance with licensing. In both Atlanta and Phoenix, center directors are using a staffing formula that works like this. If you have a staff who is dividing her time between infants and toddlers, for example, she counts as two staff. So you have a ratio that looks pretty good, but, in fact, you have an adult running back and forth between a couple of classrooms trying to manage the demands of taking care of, in this case, seven infants. Moreover, in Atlanta a center can legally enroll seven infants, 20 toddlers and 33 preschoolers, that is 60 children, and hire five classroom staff to provide the care. In Boston, this would require a minimum of 10 classroom staff.

Finally, we are seeing what I have come to call at this point accordion staffing. To reduce staffing cost, programs add staff in the mornings as the children arrive and reduce staff in the evenings as children leave. This is an efficient business practice, but it is a terrible practice, we believe, for children.

In one center, this was actually an extremely expensive suburban center, I counted six possible changes in staff in a single day for a child that arrives at 6:30 morning and goes home at 6:30 at night, which is not an unusual schedule for a child in day care. That center happened to be in Atlanta, but you can find it in other places as well. This may explain in part why our staff in Atlanta were not uncommonly approached by the children and asked if they were their day care teachers that day. Those are children who are experiencing very high turnover rates.

Though these are not systematic data at this point, they are enough to convince my research team that the level of child care standards in a State has a very profound effect on the quality of care that the children are receiving in the centers.

I just received some of our very first data. I hesitate to present it because it is so preliminary. But we looked, for example, at the ratios that were reported to us by the directors in the centers based on the State requirements in each of the five States that we were in. What you find is a very systematic relationship. Boston, Detroit and Seattle reside in States that require ratios of 1 to 4 for infants or better. What the directors tell us on average their ratios are hovers around 2-1/2 children per adult for infants, so they are actually doing better than is required.

When we go to Phoenix where it is required that you have one adult for six infants, you see an average ratio, again reported to us by the directors, of about four infants for one staff. When you go to Atlanta, you see five infants for five infants for one staff. So you get an incremental increase that is directly corresponding to the required ratios.

State regulations also undoubtedly make a difference in the stresses that child care staff are subjected to, and so may indirectly play a role in the high rates of staff turnover that we are seeing in child care.

Finally, there is one additional study I want to share with you that may have direct implications for your arguments about standards. It was a study actually conducted in Canada, and these investigators looked at regulated day care centers. Then they looked at regulated family day care homes, and they looked at unregulated family day care homes. And they found that their language development, which is what they were studying, of the children in the regulated centers and regulated family day care homes looked just fine. But when they looked at the unregulated family day care homes, the language development of the children was delayed. These investigators have spent a great deal of time in the United States visiting centers and homes, and have said that basically what they see looks very similar to what they are seeing in this country.

Quality has been framed as the luxury issue in child care, to which the answer has all too often been, "We can't afford that." Those of us who have spent years studying how children develop in child care believe that we cannot afford inattention to quality. The longitudinal research on early childhood programs has revealed the cost effectiveness of investments in high quality care. Less is known about the cost to children and their families of allowing the very low floor of quality that is permitted in a sizable minority of States. We certainly are losing some benefits. The fear is that we are subjecting some children to harmful environments for which the slogan, "Pay now or Pay Later," may be all too apt.

Let me close at that point and move to the other witnesses. I don't want to hog the time.

Chairman Hawkins. Thank you, Dr. Phillips.

[The prepared statement of Dr. Deborah Phillips follows:]

Testimony before the

Committee on Education and Labor

U.S. House of Representatives

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"Quality as a Component of Federal Child Care Legislation"

February 9, 1989

I am a developmental psychologist at the University of Virginia. My research has focused on the question of quality in child care. I was Principal Investigator in one of the first studies to examine the range of quality in child care centers and to relate quality of care to children's development. I am now involved in the National Child Care Staffing Study with Dr. Carollee Howes at the University of California at Los Angeles and Marcy Whitebook, director of the Child Care Employee Project. We are looking in-depth at questions of the competence, training, compensation, and turnover rates of child care staff in over 200 regulated child care centers in Atlanta, Boston, Detroit, Phoenix, and Seattle. I am about to embark on a five-year study of infant day care, along with five other investigators in different institutions around the country, which has just been funded by the National Institute of Child Health and Human Development.

Today, I will address three issues:

(1) The fact that research has documented the positive effects on children of good quality child care and identified specific indicators of quality that make a difference to children;

(2) The tremendous variation that characterizes state-level child care regulations and how this translates into the quality of care that children are receiving; and

(3) Questions of cost and government responsibility around which the issue of federal child care standards appears to revolve.

Does quality of care affect child development and can we define it?

The capacity of any child care legislation to affect the quality of care is crucially important for one reason: This can affect the environments that children are experiencing day in and day out, month in and month out, year in and year out during the most critical years of their development.

We now have over a decade of research directed specifically at the question of what is good for children in child care. What does this literature tell us? First, it is unambiguous in its evidence that child care varies widely in quality and that better quality care is better for children. Quality of care makes a tangible difference in children's lives.

Second, research has identified three key ingredients of quality child care: Staff-child ratios, group size, and caregiver training in child development or early education. These features were first identified by the federally-funded National Day Care Study, conducted in the late 1970's and virtually ignored since then. In this study, group size and caregiver training in child development or early education (not simply years of education) emerged as the most potent predictors of children's cognitive and social development; the staff-child ratio was relatively less significant for preschoolers, but was equally important for infants and toddlers. Subsequent research conducted in various cities around the country has replicated these results.

These three factors appear to be important because they facilitate positive interactions among caregivers and children. In effect, they increase the probability that staff will know how to encourage children's development and mediate their social interactions, attend to the needs of individual children, assure that children are engaged rather than left to wander aimlessly about or to spend hours of time in front of a television set, and forge supportive relationships with parents. For example, in classrooms with small groupings of children (i.e., less than 7 infants), caregivers have been found to engage in more social interaction with children, children are observed to be more cooperative, innovative, and involved in tasks, and children's test scores show greater improvements compared to the scores of children in larger groups.

Finally, researchers have recently identified an additional element of quality care -- staff stability. The stability of the child's caregiver(s) appears to be a highly significant predictor of their behavior and development in child care. We even have longitudinal data suggesting that the stability of children's child care is associated with their levels of achievement in first grade. These results take on added significance in light of the 42% turnover rates that characterize center-based child care workers as estimated by the Department of Labor.

To summarize, the empirical evidence regarding quality paints the following picture: stable caregivers who are trained in child development and who work in programs that make reasonable demands on their expertise and energy by keeping groups small and ratios high, offer children the supervision and responsive, stimulating interactions that promote positive developmental outcomes.

What is the status of child care quality in the states?

How many child care arrangements fit the profile of good quality care that I just described? Unfortunately, we know virtually nothing about the current status of quality in our nations' child care arrangements. But, state licensing standards provide one means of assessing how far quality can fall in one segment of the child care market. State standards are also important to examine because some have argued that the states are already doing an adequate job of regulating child care thus rendering federal standards superfluous.

Have the states incorporated the knowledge base about quality care in their child care regulations? Some have. Others have not. This past summer, I reviewed the states' child care standards for the Department of Defense. Each of the four branches of the military has uniform child care standards for centers and family day care homes in all states, and the four sets of standards are also highly comparable.

Even a cursory review of state child care standards as of 1986 reveals tremendous variation from one state to the next in the provisions of their standards. For example, twenty-eight states have no group size requirements for child care centers, despite the documented importance of this dimension of program structure. With respect to ratios in center-based care, Georgia and North Carolina permit staff-child ratios of 7:1 for infants one year of age and younger. At the other end of the spectrum, Kansas and Maryland have ratios of 3:1 for infants. Twenty-nine states require staff-infant ratios of 1:4 for children age 1 year or younger. Ten states have staff-infant ratios of 1:6 or worse. For two year olds, 21 states have ratios of 1:6 or better, but 11 states allow 1 adult to be responsible for 10 or more 2-year olds. For preschoolers, aged 3 and 4 years, states vary from the 17 that have ratios of 1:15 or worse to the 19 states that have ratios of 1:10 or better.

Training requirements are among the weakest provisions of most states' standards. Twenty-eight states require neither prior experience in child care nor training in child development for family day care providers; 27 states have no education or training requirements for center-based staff. Neither pre-service nor on-going training is required of center-based staff in 7 states.

This is not just a litany of statistics. This variation affects families and it affects children. A friend of mine -- an early childhood educator by profession -- lives in Kansas City, Missouri. Missouri has no training requirements for child care staff and there are no licensing provisions that address parent visitation. Some centers actually require parents to make an appointment before they visit the center at times other than drop-off and pick-up. Finding these conditions unacceptable, my friend drives across town to Kansas City, Kansas, where she can find child care with unrestricted parent visitation and adequately trained staff.

Another source of information about the current status of quality in child care comes from those of us who are out there in the field studying and providing child care. I want to tell you what I am seeing in the study of child care staff that I mentionned earlier. This study has four objectives:

(1) To provide a contemporary profile of center-based child care workers and their working conditions, including their age, family status, professional preparation, length of time working in child care, and their compensation and benefits.

(2) To examine the job commitment and stability of this workforce.

(3) To relate these facets of the adult work environment of child care to the overall quality of care that characterizes the program and to children's development in care.

(4) To compare the calibre of staff and overall quality of care in five states that vary widely in the stringency of their state licensing standards.

Our sample consists of 45 child care centers in each of the following five cities: Atlanta, Boston, Detroit, Phoenix, and Seattle, making this the largest observational study of child care in the United States.

We are presently analyzing the data. In June, we will be releasing the first results of the study and would welcome the opportunity to brief you on our findings. The full report of the study will be released next October. Today, I will report impressions from our site staff and insights I obtained from visiting programs in Atlanta and Detroit. What I have seen and heard leaves me very concerned about the quality of care that some children are receiving in child care centers in these cities.

The process of conducting this study has brought home several lessons, the most dramatic of which concerns turnover rates. It is not unusual for us to schedule a visit one week in advance of the center visit, only to arrive and discover that the staff with whom we had scheduled an interview have left the program. In Phoenix, one center went through 26 staff in one year to maintain their 6-person staff. A center in Atlanta lost both toddler teachers during the 2 weeks that we were collecting data, and our research assistant reported that the director explained, "we run through staff just about every 2-3 weeks". Children are faced with revolving door staff. In contrast, in Boston, with Massachusett's high standards for care, we never missed staff interviews as a result of turnover.

We are also seeing a child care market that is living on the edge of compliance with licensing. In both Atlanta and Phoenix, center directors are using a staffing formula that defines one staff member who is spread across two classrooms as two staff members. This is a way of short-cutting legal requirements. So-called "floaters" are extremely prevalent in these two sites, but apparently less common in Boston and Seattle which require more staff in classrooms.

Moreover, in Atlanta, a center can legally enroll 7 infants, 20 toddlers, and 33 preschoolers (60 children) and hire 5 classroom staff to provide the care. In Boston, this would require a minimum of 10 classroom staff. As a result, we never saw fewer than 2 staff in any classroom in Boston, whereas we often saw one staff with 7 infants in Atlanta. When this staff member is sick or has to leave the room momentarily, supervision is relaxed to the point where clear risks to children are involved.

Finally, we are seeing what I have come to call "accordion staffing". To reduce staffing costs, programs add staff in the mornings as children arrive and reduce staff in the evenings as children leave. This is an efficient business practice, and a means of reducing costs to parents. But what it means for children is multiple changes in caregivers, peers, and classrooms during the course of a single day. In one center, I counted six possible changes per day for children who are enrolled between 7:30 and 6:30 in a very expensive, suburban day care center. Perhaps this explains why our Atlanta staff were approached by the children and asked if they were new teachers, whereas this did not happen in any other study site.

Although these are not systematic data, they are enough to convince my research team that the level of state child care standards can make a profound difference in the daily experience of children in child care. State regulations also make a difference in the stresses that child care staff are subjected to and so may indirectly play a role in the tremendously high staff turnover rates that characterize child care. In a few months, we will be able to tell you about the effects of this remarkable flux and instability. We will also be able to tell you the degree of influence these factors exert on the overall quality of care provided in centers across the country.

One additional study has direct implications for the debate about federal standards. Two investigators (Goelman and Pence) in Canada have studied regulated centers, regulated family day care homes, and unregulated family day care homes in Canada. Their findings show that children who are enrolled in regulated family day care homes and regulated centers are developing normally; whereas children who are enrolled in unregulated family day care homes are significantly less advanced in their language development. The major difference in the quality of care delivered by these arrangements is the lack of specialized training that characterizes the unregulated caregivers, and its translation into much less appropriate and stimulating interactions with the children in their care. Both investigators have visited child care programs in the U.S. and are struck by the similarities between these programs and their Canadian counterparts.

Whose responsibility? How to pay for it?

Quality has been framed as a luxury issue in child care to which the answer has all-too-often become "we can't afford that". Those of us who have spent years studying how children develop in child care believe that we can't afford inattention to quality. The longitudinal research on early childhood programs has revealed the cost-effectiveness of investments in high quality care. Less is known about the costs to children and their families of allowing the very low floor of quality that is permitted in a sizable minority of states. We surely are losing some benefits; the fear is that we are subjecting some children to harmful environments for which the slogan "pay now or pay later" seems all too apt.

Some have argued that quality suffers in child care because there is no consensus among experts about the basic ingredients of quality care. I hope I have demonstrated that nothing could be farther from the truth. In this country, we know how to provide decent and safe child care. We even know how to provide fabulous child care.

Agreement about the value and ingredients of quality care is seen most explicitly in two federal programs -- one longstanding and the other proposed. Head Start and Smart Start both assume the need for quality standards without any major debate about whether provisions that protect the quality of services should be included. However, when child care under any other name is discussed, efforts to assure some minimum level of quality become touchstones for vigorous, and sometimes acrimonious, debate. Even more striking is that fact that, in many instances, we are talking about the child care arrangements where we find those children who were not lucky enough to get into Head Start or some other carefully safeguarded preschool program.

Rather than being a matter of knowledge, I believe that the most fundamental dilemma surrounding issues of quality in child care lies in the realm of will and values. As a society, we place tremendous emphasis on family-centered childrearing. This lends child care, particularly public efforts to increase quality in child care, a highly ambiguous status. On the one hand, the majority of American children spend some time in child care during their preschool years. More than half of all infants under one year of age now have working mothers (U.S. Department of Labor, 1987). On the other hand, strong beliefs in parent choice, free markets, and avoidance of government involvement in family matters create a major ideological hurdle for organized efforts to intervene in the child care market to increase quality of care. So, we can regulate the toys that children play with, the food that they eat, the speeds at which they can travel on highways, and the safety of the planes they fly in, but we can't regulate the child care environments that have a far more pervasive influence on their development. The resistance to federal child care standards takes several forms.

Some suggest that raising national standards of care will force currently regulated programs out of business. This argument raises the specter of dramatic and pervasive disruption caused by federal standards. Three present realities suggest otherwise.

First, proposed federal standards in both the past and the present have been minimum standards. As with state standards, they are designed fundamentally to protect the health and safety of children in child care. We are not talking about requiring states to offer high quality, comprehensive developmental care. We are talking about establishing a floor below which the health and safety of children is likely to be jeopardized.

Second, the majority of states would be in compliance today with any of the federal standards that are being discussed. As recently as 1980, a federal study estimated that 80% of all child care centers in the country were in compliance with the full complement of requirements contained in the 1980 ederal Interagency Day Care Regulations, which were supported by the ongress. More specifically, today, 3 out of 5 states are in compliance with n infant ratio of 1:4 and an equal share have preschool ratios of 1:10 or etter. While 26 states fail to regulate group size in child care centers, he cost analyses of the National Day Care Study revealed that this is a very ow cost quality improvement. Adding licensing provisions that require open arent visitation -- a strong recommendation following allegations of child buse in child care -- would add no costs. The training provisions of state icensing laws require the most attention, but the pay-offs in this area are lso likely to be greatest. So, the effect of federal standards would be to aise the quality of care in a minority of states that presently fall below he national norms.

Third, not too long ago we witnessed a national experiment -- albeit unplanned -- in which the insurance industry suddenly increased the costs of providing child care to all providers by imposing large premium increases for insurance. Center-based arrangements experienced insurance rate hikes as high as 300% and family day care homes typically saw their rates increase by a factor of 4. The added costs of insurance were compounded by requirements imposed by the insurance industry, such as higher staff-child ratios, that necessitated increased costs for quality improvements. Some predicted that child care programs would be forced to close and that we would experience shortages in the supply of child care because of these sudden, added costs. In fact, between 1982 and 1985, during which time the insurance crisis emerged, reliance on center-based care grew from 8% to 19% of all families using child care for children under 1 year of age.

Others have argued that parents really don't want regulated child care; that the move for federal standards is propelled primarily by child care advocates. In the late 1970's, several major studies asked parents about their child care preferences. On average, about 25% of parents indicated that they would change arrangements if they could, and the majority of preferred changes involved moving into center-based child care -- the most regulated form of care in the United States. Recent Census data confirm this preference. Growth in reliance on center-based care is outstripping every other form of care in this country, even for families with infants. It would not be surprising if one of the major effects of Head Start has been to educate parents, particularly poor parents, that high-quality group care is something to be sought for one's children.

Perhaps the most compelling evidence of social concern about child care quality comes from a 1988 poll conducted under the joint sponsorship of the American Federation of State, County, and Municipal Employees and the Children's Defense Fund. 75% of respondents felt that the federal government should establish minimal standards of health and safety for child care facilities rather than leave this responsibility to state discretion. When subgroups of respondents were examined, the lowest rate of endorsement of federal standards was still well over 50% (64% among 50 to 64-year olds and among Republicans). Families of all socio-economic means, with and without children, in all regions of the country strongly endorsed the need for federal health and safety standards for child care. This does not indicate a strong concern about government intrusion; rather, it suggests that the public feels that the federal government is shortchanging an important responsibility.

Conclusion

Quality of child care makes a tangible difference in the lives of children in child care -- now the majority of all children, including infants. Key ingredients of quality care have been identified and a consensus can be reached about minimum standards. State regulations vary widely around acceptable standards of quality, and we are seeing how this variation affects the daily experiences of children in child care.

Yes, federal standards will increase the cost of child care in states that presently have very lax standards. This calls for a gradual and cautious approach to implementing federal standards. Any federal standards should be small in number and focused on the basic elements of quality documented by research as well as on basic health and safety features. They should be phased in gradually to avoid disruption. And, there must be technical and financial support available to states as they upgrade their standards.

Standards are, of course, not the entire answer to quality child care. Federal funds for training child care providers have been slashed and must be restored. Assuring adequate inspections of licensed centers is essential if applicable standards are to be more than a paper document. Coverage of standards is also an important issue in light of current efforts, in some states, by the so-called Charismatic churches to obtain and expand exemptions from licensing. Compensation of child care workers must improve -- just as we have learned recently for teachers and nurses -- if we are to maintain a competent, stable workforce. The average salary of a center-based child care worker falls below the national poverty level, and falls below what we pay adults who take care of our cars, refrigerators and pets. This is a national embarrassment that demands attention. Finally, family subsidies, based on income, combined with consumer education, are an essential component of any effort to improve the quality of care received by children in this country.

In closing, I ask you always to keep in mind that child care is a service for children. Child care policy invariably involves business concerns, turf issues, issues of states' rights, and powerful ideological arguments. But, the end product that I believe we all seek is healthy, alert, trusting, and spunky children. Federal standards won't magically produce such children, but they are one important way in which we can begin to assure that children receive the basics that are required for their safety and development.

Chairman **Hawkins**. The next witness will be Ms. Nancy Travis, Executive Director, Save the Children.

Ms. **Travis**. I, too, want to express my appreciation to the interest and support that is going into the whole issue of child care these days. I have waited a long time for this, and it has been very exciting in the last couple of years to see these things happening.

I am, perhaps, in a little different position than some of the other panelists today in that I am kind of down there on the front line providing direct services, and, as Deborah has said, Atlanta and Georgia are not places that are among the highest quality requirements in terms of child care. However, we do have some decent child care in Atlanta. I just need to say that or they probably wouldn't let me come back.

I am going to focus my remarks primarily on care for infants and toddlers, children under three years of age. Nationally, 52 percent of women with children under 12 months of age are returning to work full or part time. Statistics from our resource and referral service show that, of our 8,400 referrals that we made last year, 40 percent were for children under 12 months of age, and another 29 percent were for children one and two years old. So we have a very complicated time in finding care for referrals, and particularly when it is complicated by the fact that many of the low income women do not work nine to five hours. Very often they need evening care or care over some weekends, which are times when traditional day care centers are not open.

About 70 percent of our people state a preference for family day care, and I think the fact of our 1 to 7 ratio for infants in day care is one of the reasons that is a real option for the parents. We know both from research and experience that very young children can thrive in out-of-home care if certain conditions are met. I think for a long time we spent time talking about should infants be in care, but the reality is they are.

In order to be a good environment, the environment must be clean and safe and there must be very careful attention to sanitation. We have learned a lot of things in the last few years about the kinds of illnesses that can be spread in a program where most of the children are still in the diaper stage.

Continuity of care is extremely important, and I certainly echo what Deborah said, that you don't have that continuity without adequate pay and without training and without the supports that come from interacting with other providers and with an organization like ours that provides training and a place to come with problems.

Good quality infant care can be provided in centers and day care homes. The critical issue is the care-giver herself. A good infant care-giver needs to be very sensitive to the needs of infants and needs to have the skill and commitment and the ability to respond to and respect the individual differences of each child. That is very critical during this early age.

A day care system also needs to take into consideration the needs of parents. We need a day care system that is user friendly. Parents need help often in finding child care. Of course, we are very strong advocates of the resource and referral service, which not only helps them to find child care but helps them to learn how to be a good consumer of child care. We encourage them to make a careful selection to meet the needs of their particular child and also to continue to monitor that situation.

I think Deborah's remarks indicated that the choice you made a month ago may not be a good choice if you now had your third other teacher that doesn't qualify as well as the one that you looked at originally. So, you know, they have to continue to watch it.

Families with multiple children should not have to use too many different systems. Transportation is often a problem for low income parents, and if you have to take your infant one place and a preschooler another place, and you are nervous because you have left your 6-year-old at home with a gap of half an hour before the school bus comes, it is not good for anybody.

We certainly support the role of the Federal Government in this whole day care thing. We need the financial assistance for low and moderate-income families to help them to be able to afford child care, and we are certainly going to need a lot of help as we implement welfare reform and some of the other labor problems.

Much of the money that would come from the Federal Government would be needed to actually pay for the child care. There is also a need for Federal regulations. States are not particularly enthusiastic about this, but, again, in a State where you can have one adult and seven infants, it needs to adopt a different standard if they are going to use Federal money. Right now we have new regulations that are out for review which would allow a ratio of one staff member for five infants, which is not ideal, but we would be very, very happy to get that. However, these regulations are being very aggressively opposed, particularly by the private, for-profit sector. You know we are going to work really hard, but we are not sure whether we will be able to get those through.

Both the Act for Better Child Care and the H.R. 3 have some very positive features. Both would provide funds to make child care affordable to low income children and a sliding fee provision for families up to a percentage of the median income, and I think that sliding fee scale is tremendously important in terms of what we do to provide the care.

In many States, and certainly it is very, very true in our State, some of the money needs to go to providing some kind of an infant structure that would allow the coordination of services, assistance to families and finding child care and in taking responsibility, helping parents take responsibility for monitoring their child care. Resource and referral services have worked well in some places. We operate one in the metropolitan Atlanta area serving 11 countries. We are not State funded and we are not United Way funded, and it has been a real challenge to keep that program together. But I think it provides a model that would be very good for the rest of the State, and I would hope that we would go in that direction.

It is also a mechanism for providing voucher payments, and, again, we are talking about voucher payments for child care and not education. We are now operating a voucher program for women in JTPA training under a contract with three of our private industry councils, and we also provide that service for refugee children under special refugee funds.

Both bills have provisions for extending Head Start to a full day and also for extending certain school programs for a longer day, and I think those are very important kinds of things. In some of our Head Start programs surveys have been done and the parents using the service are very definitely asking that those times be extended. Right now they are four days a week, six hours a day, and about eight and a half months a year. That would be a very good solution in some of our areas.

Also, where we have 4-year-olds in public schools and where we have schools that have an interest in serving this age group, it would provide the base for having the longer kind of a day for children that need the full day care. I would be concerned if much of the money under the Title II were to be used for part day programs. I think we need to put in some safeguards, if they would really provide the day care benefit that many need.

However, by having three separate funding streams our already diverse child care system would be further fragmented. There is no guarantee that the Head Start programs or the public school systems will move into providing expanded services, and yet the funds would be tied to this option. I think we need to find a way to, you know, that if the money could not be used in a practical way by those systems that it somehow be cycled into another kind of a delivery system.

In the South our schools are plagued by many problems. A lot of progress has been made, but space, personnel, and technical expertise would be lacking in money systems, even if the motivation were there. Also the fact that we have as much busing in our public school systems as we have would make it very difficult to serve the very young children. Parents are already concerned about putting their 5-year-olds onto a school bus with children up to the age of 12 with only the school bus driver, and I think they would be, you know, very concerned about even younger children. So that there would have to be some adaptations made there.

Also, when you have a day care system that is dependent on busing, you create more problems for the families. If you have to be at work at eight o'clock, and it takes you 45 minutes to get there, and the school bus comes at eight o'clock, it means your children have a gap there that is not covered, and that may happen again at the end of the day. Where there are neighborhood schools and the children who are in the longer days can stay at the school and parents can pick them up, I think it would work quite well.

In dividing the funds into these three sections, the amount that would be left in Title III that would be available for both subsidizing infant and toddler care and building an infrastructure would not be enough to help the States that need major change. Day care programs which traditionally serve children from six weeks to five years of age would no longer be viable if the children three and over were removed. The cost of providing infant care is so great that centers manage to do so only because of the cost of the care for the older children is a little bit less, so it would, you know, really affect the current delivery systems.

In sort of summary, States need Federal funding, but with it they must accept some basic regulations. States must have some freedom to develop a delivery system that responds to the problems and requirements of their particular State. That would mean a system in place that would provide supports to family day care, which is often a choice for parents. It would be working with centers who are already a part of our child caring system and providing quality care to add infant care which they, perhaps, had previously not been able to afford to offer, and by upgrading programs which have been struggling to provide service without much funding. Public schools and Head Start could be brought into the system based on the need and the capacity and interest of the local institutions.

I have not addressed the system of the corporate sector playing a role in this whole child care issue, but when you have a coordinating mechanism like resource and referral services it provides a way in which they can help the system in a way that is effective for their dollars. For example, we have a grant now from Mervin's Department Stores to provide in-depth training for family day care providers, and to help work with them toward becoming accredited either through the CDA or through another process that has been developed by family day care providers themselves.

So I think that in all of our deliberations and our decisions about what to do it is very important to plan in something for resource and referral services which seem to be very effective or some other kind of a coordinating mechanism that would provide the helps and supports that are needed both to parents and to providers.

Chairman HAWKINS. Thank you.

[The prepared statement of Nancy Travis follows:]

STATEMENT OF

Nancy E. Travis, Director
Save the Children
Atlanta, Georgia

Hearings before the House Education and Labor Committee, February 9, 1989, on the various Child Development Bills currently before the committee.

My name is **Nancy E. Travis, Director, Save the Children,** Atlanta, Georgia. My professional career has been spent in the field of Child Development and Child Care. My agency operates a Child Care Resource and Referral Services, serving eleven (11) counties that make-up the metropolitan Atlanta area. We are contracted to provide referral services to employees of approximately twenty-five (25) corporations and we also provide free service to any parent in the metropolitan area. During the last fiscal year, we counseled parents and made referrals for 8,400 children. We also recruit and train new providers, offer on-going training and technical assistance to day care centers and family day care homes. We do counseling and referrals and manage a voucher payment system for women participating in JTPA training under three (3) Private Industry Councils and for refugee families. We are sponsors for the Child Care Food Program and reimburse 10,070 family day care providers each month for the nutritious meals that they serve to children in their care. We operate a rural family day care network in West Georgia which provides care for fifty (50) Title XX eligible children. We staff a school-age child care council to expand and improve the supply of after-school care. I also serve on the Governor's Council on Work and Training and a statewide Advisory Committee to develop the State Plan for Welfare Reform. In these various capacities, we are very much aware of the need for more supports for low-income families and children in our state and indeed across the country. This need will only increase as states move to implement new legislation. Without an infusion of federal funds, we will have short-changed our children and also failed to protect our investment in helping families to break the cycle of poverty.

I am going to focus my remarks today primarily on the **"Need For Care For Infants and Toddlers"** (children under three years of age). Nationally, fifty-two (52) percent of women with children under twelve months of age are returning to work full or part-time. Statistics from our resource and referral service show that forty percent of the 8,400 referrals that we made last year were for children under twelve months of age, with another twenty-nine (29) percent for one and two year olds. To further complicate finding care, some requests were for irregular hours such as shift work or for care some evenings and weekends. Care for this age group is scarce, both in centers and in family day care homes, even for parents who can afford to pay for it, and the working poor, single parents and teen mothers have few options.

Needs of Infants and Toddlers in Child Care

We know from research and experience that very young children can thrive in out-of-home care if certain conditions are met. There must be a clean, safe environment with very careful attention to sanitation. The group size should be small, and there should be a caregiver for every four infants and eight toddlers. Continuity of care is important, and caregiver should be paid adequately and have training and supports that make the work rewarding so that turn-over is kept at a minimum.

Good and quality care can be provided in centers or in family day care homes. The critical factor is the sensitivity skill and commitment of the caregiver and her ability to respond to and respect the individual differences of each child.

Needs of Parents in using Child Care

Parents should have choices in selecting the care for their own children. They may need help in finding child care.

especially if they choose family day care, which is sometime difficult to locate. They need to become good consumers of child care and continue to monitor and participate in the care that they have chosen. Parents whose income falls below the poverty level need to have their child care paid for and a sliding fee scale should be available for families earning up to 150 percent of the poverty level. Families with multiple children, should not have to use more than two different child care arrangements. The care should be readily accessible to the parent so that long hours are not spent traveling with the young children to and from care.

The Role of the Federal Government

In order to meet the current needs for child care for low and moderate income families, and to prepare states to implement welfare reform, federal dollars are needed. Much of the money would go to pay for the child care but some is needed to increase the capacity of delivery systems in the various states. There is also a need for federal regulations, since many states, including my own state of Georgia permit child/staff ratios that are not conducive to quality care. Georgia allows one adult for seven infants and there is no limit in family day care on how many of the six children allowed can be infants. New regulations which are under review for adoption, reduce the ratio to one caregiver for five infants but there is aggressive opposition to this change.

Comments on the Bills

Both the Act for Better Child Care (ABC) and Child Development and Education Act (HR3) have positive features. They provide funds to make child care affordable to low-income children and a sliding fee provision for families up to a percentage of the median income.

In Georgia, and in many other southern states, it is critical that there be money to build an infrastructure that would allow coordination of services, assistance to families in finding child care and in taking responsibility for monitoring their child's experience. Resource and Referral Services can do this as well as work to increase the supply of care and make training and technical assistance available to family day care providers and day care centers. It also can provide a voucher or certificate program that allows parents to use the care of their choice. The ABC Bill is more supportive of resource and referral.

Both bills have provisions building on existing programs to provide full day, full year care that meets the needs of working parents. It is difficult for parents to have to arrange for two different plans each day. On a selective basis, this would be a good use of resources

However, by having three separate funding streams, our already diverse child care system would be further fragmented. There is no guarantee that Head Start Programs or public school systems will move into providing expanded services, and yet the funds would be tied to this option. In the south, the school systems are plagued by many problems. Progress has been made, but space, personnel and technical expertise would be lacking in many systems, even if the motivation were there.

Dividing the funding by ages would make child care a burden for parents if they must use a different care plan for each age group. Incidentally, it is not clear where three year olds fit.

The amount in Title III that is available for subsidizing infants and toddlers care and building an infrastructure would not be adequate to help states who need major change. Day care programs which traditionally serve children from six weeks to five years of age, would no longer be viable if the children three and over were removed. The cost of providing infant care is so great that centers manage to do so, only because the cost of the care for the older children is a little less.

States need federal funding, and with it they must accept some basic regulations. However, the States also need the freedom to develop a delivery system that responds to the problems and requirements of that State. That would mean providing supports to family day care which is often a choice for parents for the very young child, working with centers who are part of our child caring system to add infant care which they could not previously afford, and upgrading programs which have been struggling to provide service without much funding. Public Schools and Headstart could be brought into the system, based on the need and the capacity and interest of the local institutions.

It is important that a bill be passed and be passed soon. Low-income parents cannot pay the full cost of quality care. States must have help to develop a delivery system that makes available good, safe developmental child care to its children, and especially to those very young, very vulnerable infants and toddlers.

Chairman HAWKINS. The next witness is Dr. Lynn Kagan, Associate Director of the Bush Center.

Ms. KAGAN. Mr. Chairman, and distinguished members of the committee, I am really thrilled to be here to share in your very important and very timely work. I speak to you first as an academic who has researched and taught policy around young children and families, and also as a practitioner who recently, while on leave from Yale, directed a very large program that links services in Head Start, day care and the Board of Education in one of America's largest cities.

Today, I have been asked to focus on partnerships in our field. You all are aware that there are many kinds of partnerships when we talk about young children: partnerships between parents and providers, partnerships among staff who care for young children. Today, I am going to focus on two other kinds of partnerships. First, partnerships between the public and the private sector; and, second, partnerships between child care, early education and the schools. The second will address the coordination issue that you, Mr. Chairman, that Congressman Kildee, and that Congressman Goodling addressed in their opening remarks.

Let me begin first with public-private partnerships. It is no secret to any of you that in the past eight years internal corporate support for child care and families has burgeoned. It has taken many forms, parental leave, flex time, child care, R&R, and cafeteria benefits. At the same time, however, there has been many innovative public-private sector partnerships that have blossomed and that yield very promising efforts as you consider alternatives. Let me share a few.

In Florida, there is a model Public-Private Partnership Act. Appropriating $250,000 during the first year, the legislation provides for up to 50 percent of the cost for child care on a first come, first served basis. This effort is interesting. It is distinguished from other efforts because the Florida statute permits great flexibility in using the funds for both direct and indirect services, a provision that particularly appeals to small businesses that have too few employees to be affected by typical legislation that provides for the formation of on-site child care.

Another example. Pennsylvania's Governor has established a model Child Care Initiative that links businesses, partners and parents, I am sorry, parents and providers. Local Chambers of Commerce have been very instrumental in this supporting this effort, first, by publicizing it, and, second, by enlisting support from their members and others in their community to provide funds.

In California and Connecticut, the State and corporations partner to enhance resource and referral services. In Connecticut, the State supports a generic data base; corporations fund public information and training.

On a local level, in Boston businessmen concerned about the three o'clock syndrome—that is, at three o'clock when everyone calls home to find out where their children are—ban together with funding sources to chronicle the universe of after-school child care in their community. They presented the report to the Mayor, who set a process in motion that will establish model after-school child care programs using a combination of city, private and foundation monies.

Some corporations have adapted the Adopt-A-School model and, in fact, are adopting child care centers. And we have a new movement burgeoning, private-private partnerships in the field. These are developing where corporations provide space rent free to for-profit providers. The for-profit providers, in turn, agree to divert the money that they have saved from paying rent and space costs to provide wages for more qualified providers.

Terrific as these partnerships are, and they are good, they need to be put into perspective. The Nation has approximately 6 million providers, employers. Of these an estimated 3,500, about one in 1,700, provide any kind of child care support at all. Certainly these collaborations need to be showcased and encouraged. Incentives like those included in H.R. 3 and H.R. 30 do need to be fostered.

We need other efforts, though, that evaluate these partnerships and that disseminate information about the effective ones, others that address insurance as an inhibitor to broader corporate involvement, and others that target small business and service industry where large numbers of women are employed. We must, however, not make the important mistake of thinking that private sector involvement is an antidote to endemic, deep-seated problems within our field. It is not.

Early care and education in our country to me functions a bit like a societal prism through which our value conflicts about family autonomy, about privacy, about independence and equity are filtered. Some of the reflections are very, very clear to you. We know we must increase the quantity of services that are available. We know that quality must be safeguarded if we are to achieve our expected outcomes. We know that access—it has been discussed this morning—needs to be more carefully calibrated to allow poor children opportunities that are comparable to their advantaged peers. H.R. 30 and H.R. 3 get at these issues, and, Mr. Chairman, you and staff are to be complimented.

However, the prism also reflects more diaphanous and murky issues, those that are very hard to understand and to interpret. Such is the case with the second kind of partnership, that among Head Start, child care and the schools, to which I would like to turn my attention now.

Federal funds support many, many programs that nurture and educate young children. However, few of them are linked. Distinct histories, missions, funding sources set them on separate tracks at the outset, and each has moved in parallel fashion supported by its own distinct infrastructure, its own guidelines, its own administrative agency, its own monitoring system.

Rarely did anyone ever think about the cost effectiveness of even comparatively modest collaborative efforts such as the joint buying of goods across programs in the community or joint training across funding streams. In fact, almost akin to heresy, commingling of funds was prohibited, leading to program independence—in contrast to program interdependence—and to polite turf-guarding, if you will.

However, things have changed in the 1980s. With the program expansion, programs have vied for money in State capitols. They have come face to face with one another. And at home, they have vied for staff, for space and for recognition. Tensions have festered dramatically between Head Start, child care and the schools. However, as this has happened, the programs have realized that the problems they are facing transcend their individual line of auspices. They are essentially caught in a non-system that is separate and unequal. Today, Head Start, child care and school-based programs are experiencing the same no-win policy conundrums that will make expansion and implementation of any legislation that you craft very, very difficult unless coordination is emphasized.

Let me share with you three scenarios, if I might, that are based upon my conversations with administrators, providers and leaders in the field of child care, in early education in 22 States over the last eight months. Though individually these scenarios are important, collectively I do think they convey the state of child care today.

Number one, the staffing conundrum. New monies were provided by a State to expand services in the public schools. That is where most of the preschool attention has been to date. The schools offer better salaries, and this is true in cities throughout the country. They offer better benefits and better advancement opportunities so that Head Start and day care staff in those communities are magnetized into the schools. They are attractive candidates because they have been well trained.

Interestingly, some are hired as teachers. Some are also hired as teacher aides. Those that are hired as aides earn more money than they did as teachers in Head Start and in day care.

The consequences of this scenario belie its simplicity. Before public school expansion in preschool, Head Start and day care already had a turnover of 42 percent. Preschool expansions, which have been the norm, are not dissimilar from those that are anticipated in H.R. 3, and therefore they have particular relevance. Where we have seen this pattern vacancy rates in Head Start and day care have soared, compounding the staffing crisis. It is really a hard Catch-22.

If expansion begins at the beginning of the year, then classes don't open because staff are not available. Parents complain they have children who need services. And, frankly, directors are frustrated because they are forced to turn back money that they fought so hard to get. They can't use the money because they don't have staff to open programs.

If, however, expansion and related vacancies occur mid-year, the children suffer. They suffer because directors are forced to double youngsters up in classes and/or they are forced to provide and hire less qualified personnel to staff classrooms. I would submit to you that staffing exacerbated by expansion is the number one problem we face in our Nation today, and it must be addressed. To reduce it, may I suggest three things?

First, compensate staff equally within communities. Within communities, if they are performing comparable jobs and if they are comparably trained. This will begin to stem some of the staff turnover that you have heard about today.

Second, expand pre- and in-service training provisions, particularly because now we have so many untrained people coming into the field. In H.R. 3, five days of preservice and 60 hours of in-service might be minimums for new staff.

Three, we need to fund and evaluate demonstration efforts that create innovative approaches to the staffing problem with the goal of disseminating successful strategies.

The second scenario, the regulatory conundrum. In many communities throughout the Nation, regulations that affect child care and early education vary dramatically, and in many cases schools and churches are exempt. When new Federal money came into community B, the early intervention program was located in the public schools. This was Federal money located in public schools. To meet the CETI regulations, renovations were done on the premises. However, two years later the school needed the space to expand its own program, and it asked the program, a Federally funded program, to leave. This speaks not only to the lack of coordination and long-term planning we have out there, but points out the consequences of regulatory inequities. Though serving exactly the same age children, 4-year-old youngsters of low income, the school-sponsored program did not have to meet the code.

Why, I would ask you, and I ask my colleagues, is it good for certain regulations to adhere in one program for 4-year-olds but not in another? Unfortunately, this regulatory inconsistency is so common, it is so costly, and it is so unjust that what a very good collaborative mechanism at the local level might have handled is now ending up in expensive and acrimonious court proceedings.

To reduce this dilemma, may I suggest the following. Bills should first make safety and quality regulations comparable for all programs serving the same age youngsters within a community. We must have regulatory comparability. As it stands now, H.R. 3, Title I, requires comprehensive Head Start guidelines, while Title III details general regulations. I would hope that we would be able to make these regulation provisions a bit more consistent to avoid confusion and discontinuity.

Second, renovation money should be made available. H.R. 3 does this, and it is to be commended, in Titles II and III. Might I suggest that consideration be given to doing the same in Title I?

The third conundrum. In community C, new monies were provided for the simultaneous—the simultaneous expansion in Head Start, day care and the schools, a situation that is exactly analogous to what has been proposed in H.R. 3. However, because there was not adequate planning time, each agency, each funding stream conducted its own needs assessment. It located its programs where it thought the need was greatest. And, lo and behold, those programs ended up being located within three blocks of one another.

The consequence—because there were not enough children in that area to fill those three programs, the program staff competed for youngsters, classes remained unfilled. Empty classrooms meant that the dollars were wasted on this side of town, while on the other side of town long, long waiting lists prevailed. This is not just the case in this community. Nationwide, despite, for example, Head Start's serving under 20 percent of the eligible children, 44 percent of Head Start programs in a recent national study indicate that they regularly compete for children with preschool programs, an interesting paradox.

To reduce this dilemma, may I suggest the following? First, as in H.R. 30 and Title III of H.R. 3, we must require and fund local community-based councils to coordinate planning, needs assessments and the implementation of programs. These councils should handle issues that single agencies cannot handle or that could be handled in a more cost effective way en masse. For example, public information, resource and referral, training, and even, perhaps, staffing. Localities need to understand things that impinge upon parents' choices of care, their housing needs, their transportation needs, that can't be done from the Federal perspective.

Two, we need to vest these councils with contained authority and flexibility to craft services according to local need. I agree with Norton Grubb in this respect. Localities do need support and they do need guidance, but they need freedom to tailor their efforts. Any one who has ever experienced the impact of a plant closing on child care or, conversely, the opening of a large distribution center in a small community will understand what I mean. Communities vary dramatically both between one another and even the same community varies dramatically over time. Child care is a highly reactive and localized industry, and our regulations must underscore that.

Three, local councils should handle what can't be handled by individual programs. Similarly, State coordinating councils should handle what localities cannot handle. For example, they must develop State plans and develop a State action agenda. They can establish regulatory comparability across funding streams. They can address with State and local colleges the recruitment and the training issues that transcend municipalities, and they can develop statewide public information efforts.

A good model exists in the State of New Jersey with their urban prekindergarten program. Here monies were divided 50-50: 50 percent went to the Department of Education, 50 percent went to human resources. They were APO—for administrative purposes only—into education. An effective interagency team was set up to handle what could not be handled in these funding streams independently. The interagency team established guidelines, established RFPs, promoted an evaluation, and, in fact, began to deal with the training and the recruitment problems. The team essentially is the linker doing what programs couldn't, and I would suggest to you that these teams in the absence of a single funding stream, as Norton indicated, teams can be and are effective.

Fourth, such an interagency model is needed at the Federal level as well with particular responsibility to chart the course, to set national direction and national policies, to link agencies, to assemble experts, and to address again the issues that pervade departments. The development of a national data base. It is a crying shame that we don't have good national data. The development of a national laboratory of programs where new models and approaches can be tried out and then disseminated. And the capacity to address crises that exist in our field. The insurance crises of a few years ago caused many centers to fold. This was a shame in an era when we need more programs. We have a national staffing crisis. Such a Federal interagency effort might address these things.

H.R. 3 and H.R. 30 move well in these directions. Tightening, however, is needed somewhat to refine the coordination if we are going to maintain the tripartite structure that exists. Title III of H.R. 3 has provisions to do this, but I am afraid that some of the provisions do so at the expense of infants and toddlers, the group that needs our services most.

I might humbly suggest that a separate provision for coordination and for developing the infrastructure, the context of child care and early education might be considered—an umbrella title, if you will.

Next to this principle of coordination that could be addressed in such a title, I would place flexibility as the second principle high on my list. The one-third/one-third split of H.R. 3 is certainly an innovative approach to a complex problem, and I am optimistic about its potential for functioning. But, unfortunately, two-thirds of the money is really allocated to 4's with some of it set aside for 3's, a comparatively well-served group throughout this Nation. One-third is reserved for infants and toddlers where care is (a) more costly and (b) more badly needed. Perhaps a percentage realignment might be considered.

I would also suggest that States be given funding allocations according to formula, as you have done, and that the revised percentages be given to them with flexibility according to local need. Many States in our country—New York State being one, California being another—have well-developed systems already of preschool services for 3- and 4-year-old children. They might elect to use the money more effectively on infants and toddlers.

If we do not allow that flexibility, I submit to you that we are supplanting exactly what we are trying to encourage; namely, the development of local and State support for these services.

In conclusion, let me say that I believe H.R. 3 is really a landmark bill. That you have embraced three systems: Head Start, child care and the schools. That you have acknowledged that care and education cannot be separated, that they are inextricably interwoven, and that you have anointed no single agency as the sole or premiere provider is really the bill's genius. I believe that H.R. 3 sets the stage for linking what have been very separate, distinct and acrimonious systems. As such you have set a new standard for partnerships in our Nation and in the provision of early care and education. I thank you for your efforts on behalf of America's children. Thank you.

Chairman HAWKINS. Thank you, Dr. Kagan.

[The prepared statement of Lynn Kagan follows:]

TESTIMONY PRESENTED TO THE
COMMITTEE ON EDUCATION AND LABOR
U.S. HOUSE OF REPRESENTATIVES

FEBRUARY 9, 1989

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Mr. Chairman and distinguished members of the Committee, thank you for the opportunity to share in your important work. I speak to you as an academic who has taught and written about early care and education policy, and as a practitioner who has directed early intervention programs, most recently, while on leave from Yale, one that expanded services in Head Start, day care and the public schools simultaneously. Today, I have been asked to focus on two kinds of partnerships in early care and education, those between the public and private sectors, and those among Head Start, day care and the schools.

In the past eight years, internal corporate support for families has burgeoned, taking many forms: parental leave; flex-time; child care; and cafeteria benefits. Simultaneously, many innovative public/private sector partnerships blossomed, yielding promising efforts including Florida's Model Public/Private Partnership Act. Appropriating $250,000 during the first year, the legislation pays up to 50% of the cost to provide child care services for employees, on a first-come, first-served basis. Differing from other efforts, Florida statute permits flexibility in using funds for direct or indirect child care services, a provision that particularly appeals to small businesses that have too few employees to be affected by typical legislation that provides incentives to construct large on-site centers.

Pennsylvania's Governor has established a model child care initiative that links businesses, parents and providers. Local Chambers of Commerce have been instrumental in supporting the effort by publicizing it and by enlisting support from members and others in their communities. In Connecticut, the state and corporations partner to enhance resource and referral services. The state supports a generic data base, while corporations fund public information about programs for parents and pre-service training for new providers. On a local level, businessmen in Boston, concerned about the "three o'clock" syndrome, collaborated with other funding sources to chronicle the universe of after-school programs. The report was presented to the Mayor who set a process in motion that will establish after-school programs using school, foundation and city funds. Some corporations have adapted the Adopt-a-School plan and are "adopting" child care centers. Private/private partnerships are developing where corporations provide space rent free to for-profit child care providers who agree to divert the "saved" money to wages for more qualified caregivers.

Corporations, notably IBM, have supported the child care infrastructure by sponsoring resource and referral services for their employees. Other corporations, some buoyed by foundation support, provide information about early care and education by publishing booklets and providing seminars and workshops for parents.

Terrific as they are, these well-intentioned partnerships need to be put in perspective. The nation has approximately 6,000,000 employers. Of these, an estimated 3,500---roughly 1 in 1700--provide ANY kind of child care support at all. Certainly, these collaborations need to be show-cased and encouraged. Incentives need to be included in federal and state bills to stimulate such activity. But we must not make the mistake of thinking that private sector involvement is an antidote to endemic deep-seated problems.

Early care and education functions like a societal prism, filtering our value conflicts about family autonomy, privacy, independence and equity. Some of the problems reflected are quite clear. We know we must increase the QUANTITY of services. We know that QUALITY must be safeguarded, if programs are to achieve their expected outcomes. We know that ACCESS must be more carefully calibrated to allow poor children opportunities comparable to their advantaged peers. H.R. 30 and H.R. 3 get at these issues. H.R. 3 improves quality by promoting Head Start's performance standards in Title I and by spelling out a process for infant-toddler standards in Title III. Access will be increased for those who most need the programs because the bill targets low income children. Sliding fees, applicable in all titles, help programs become more integrated.

But sometimes the prism reflects more diaphanous and murky issues that are hard to understand and interpret. Such is the case with the second kind of partnership, the one I wish to stress--that among Head Start, child care and the schools, that which H.R. 3 takes huge strides in addressing.

Federal funds support 26 programs that nurture and/or educate young children: few of them are linked. Distinct histories, missions, and funding sources set them on separate tracks at the outset. Each moved along, in parallel fashion, supported by its own infrastructure: guidelines, monitoring systems, and administrative mechanisms. Rarely did anyone think about the cost-effectiveness of even modest collaborative efforts such as joint buying of goods and services or joint training across funding streams. Akin to heresy, co-mingling of funds was prohibited, leading to program independence (in contrast to interdependence) and polite turf-guarding. However, with the 1980s expansion, programs vied for new monies in state capitals and for staff, space and recognition at home. As tensions festered, programs realized the challenges they faced transcended sponsorship lines. They were caught in a (non)system that was separate and unequal. Today, Head Start, child care and school-based programs are experiencing no-win policy conundrums that will make expansion and implementation of any legislation difficult unless collaboration is emphasized. Let me share several policy challenges with you and indicate the implications for bills, particulary H.R. 3.

I. The Staffing Conundrum

In community A, new monies were provided to expand services in the public schools. The schools offered better salaries, benefits and advancement opportunities so Head Start and day care staff quickly applied for the positions. Some were hired as teachers; most as aides. Those hired as aides actually earned more money for less responsibility.

The consequences of this scenario belie its simplicity. Before public pre-school program expansion, Head Start and day care staff turnover averaged 41%. Pre-school expansions, which have been the norm, to date, and are not dissimilar from those anticipated in H.R. 3, cause vacancy rates in Head Start and day care to soar, compounding the staffing crisis. It's a catch 22: if expansion occurs at the beginning of the year, classes don't open, parents complain, money is turned back and the funding agency and politicians who advocated for the programs look inept. If expansion and related staff vacancies occur mid-year, children suffer. They are doubled-up in classes or are cared for by less qualified personnel. Please understand, this happens in high-quality, well-funded programs with terrific directors. In my travels in 22 states in the last eight months, speaking with leaders in the field, staffing, exacerbated by expansion, is the number one problem.

To reduce it, early care and education bills must make concentrated and coordinated efforts to:

1. Compensate staff equally within communities, if they are comparably trained and performing comparable jobs.

2. Expand pre- and in-service training provisions, particularly for untrained staff coming into programs. In H.R.

3, five days of pre-service and 60 hours of in-service should be minimums for new staff without credentials.

3. Fund and evaluate demonstration efforts that create innovative approaches to the salary conundrum, with the goal of disseminating successful strategies.

II. The Regulatory Conundrum

In many communities throughout the nation, regulations and who they govern vary, with school and church-sponsored programs frequently being exempt. When new federal money came into community B, the early intervention program was located in the public schools. To meet regulations, renovations were done. Two years later, the school, needing space to expand its OWN pre-kindergarten program, asked the program to leave. This speaks not only to lack of coordination and long-term planning, but points out regulatory inequities. Though serving exactly the same age youngsters, the school-sponsored program did not have to meet code. Why should the same room have different kinds of requirements according to funding source? Isn't what is good for one four year old good for another? Further, such discrepancies severely alter start-up rates and costs, disadvantaging more regulated programs. In this case, thousands of dollars were unnecessarily spent. Unfortunately, regulatory inconsistency is so costly, common and unjust that what a good collaborative council could have handled is ending up in expensive and acrimonious court proceedings.

To reduce this dilemma, bills should:

1. Make safety and quality regulations comparable for all programs serving same-age youngsters within a community. As it stands, H.R. 3 Title I requires comprehensive Head Start guidelines while Title II details general regulations. These should be more consistent to avoid confusion and discontinuity.

2. Make renovation money available. In H.R. 3 this is done in Title II and III. A similar provision is needed in Title I.

III. The Feast or Famine Conundrum

In community C, new monies were provided for the simultaneous expansion of programs in Head Start, child care and the public schools...a positive situation, analogous to H.R. 3. However, because each agency conducted its own needs assessment, used its own data bank, and located programs without consulting one another, three new programs were located within blocks of one another. Because there were not enough youngsters in the area, programs competed for children and still were half filled! Empty classrooms meant that dollars were wasted while, on the other side of town, children waited to be served. Nationwide, despite Head Start's serving under 20% of eligible children, 44% of Head Start programs indicated in a national study that they regularly compete for children with pre-school programs.

To reduce these dilemmas, bills should:

1. Require and fund local community-based councils to coordinate planning, needs assessments and implementation of

programs. Councils should tackle problems that single agencies can not handle alone: staffing, regulatory and location problems.

2. Vest councils with the authority and flexibility to craft programs according to local need. The 1/3 split in H.R. 3 is an innovative response to a complex problem. Unfortunately 2/3's of the money is allocated to fours, who are comparatively well-served. Given that infant and toddler care is more expensive and more needy, some realignment would be helpful. Even more helpful would be greater flexibility for local decision-making. Not every community will want, or should be required, to handle expansion dollars in the same way, nor should specific age groups be so tightly restricted by funding streams. Threes (a neglected group in H.R. 3) might be well served in Head Start, child care centers or the schools. Within a set of guidelines, communities should be the principal architects of early childhood expansion efforts. In H.R. 3, local coordination needs to be more detailed and should include private non-profit and for-profit providers.

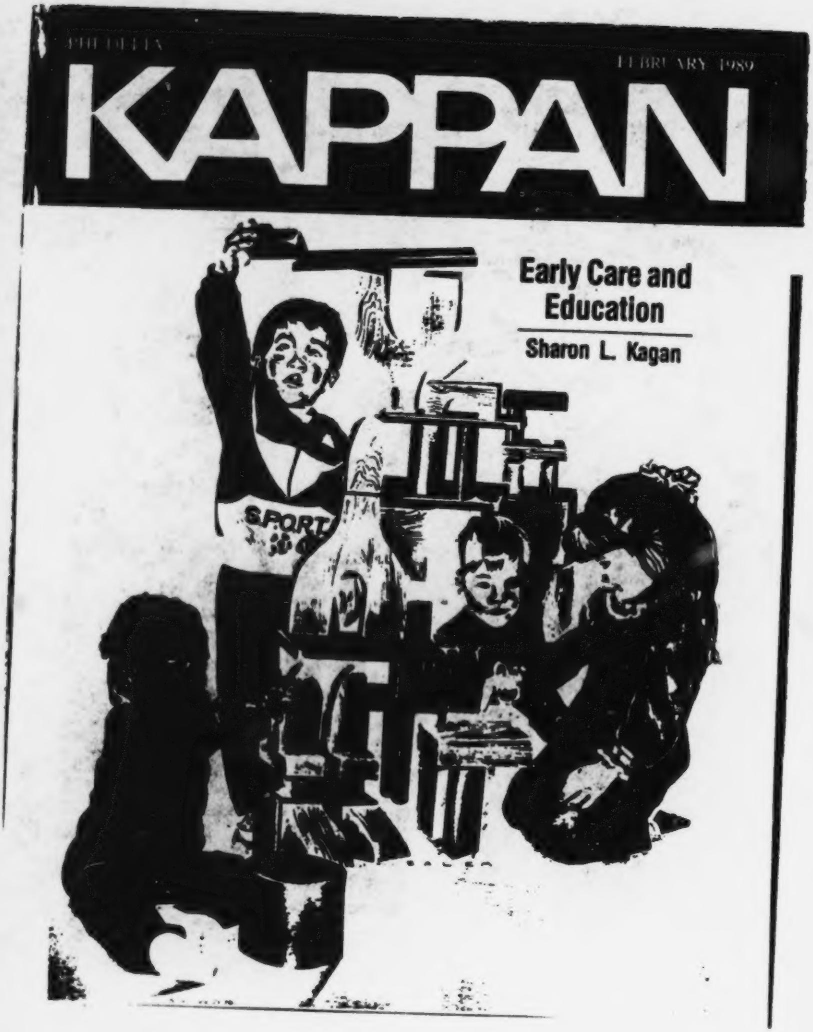
3. Coordination must exist at the local level, and between the local and state levels. Local and state responsibilities must be differentiated with states handling state-wide planning, monitoring and accountability, and policy development. In H.R. 3, clarification regarding these roles would be helpful: How will municipalities be defined, according to LEA or health systems boundaries? How will state councils interface with local efforts?

4. Local and state councils need to link to a federal policy

group established across departments. Such a group should chart the national course, differentiate responsibilities, and assemble experts and practitioners to address issues that transcend departments. The National Advisory Committee established in H.R. 30 is another vehicle for addressing broad issues. Such mechanisms should be developed in H.R. 3, as well.

5. Given the complexity of implementing a multi-agency, multi-level effort of this magnitude, planning time is necessary. States need to develop comprehensive plans and determine distribution details while localities must survey needs, develop recruitment strategies and create procedures for implementing fee systems. Pilot efforts in urban and rural and in tightly and loosely regulated areas might also be fruitful.

H.R. 3 is a landmark bill. That it embraces three systems--Head Start, child care and the schools; that it acknowledges that care and education are inextricably interwoven; and that it anoints no single delivery system is the bill's genius. H.R. 3 sets the stage for linking what have been previously separate, distinct and even acrimonious systems. As such, it sets a new standard for partnerships in the provision of early care and education.



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Early Care and Education

Sharon L. Kagan

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Early Care and Education: Tackling the Tough Issues

If our expectations for the late 1980s are to be realized, fundamental shifts in the way we view the nature of children and families must be matched by equally dramatic shifts in the way we conceptualize and craft policies for them, according to Ms. Kagan.

BY SHARON L. KAGAN

BY TRADITIONAL standards, the task should have been comparatively simple. Armed with approved mandates and appropriated dollars, an unprecedented number of cities and states set off to implement high-quality early childhood programs for America's young children in the late 1980s. The time seemed ripe: well-publicized research extolled the benefits of early interven-

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tion; demographics reflecting the massive movement of women into the paid labor force fortified the need for additional services for young children; and a consensus about definitions of good early childhood pedagogy and practice, not prevalent 20 years before, had emerged.

In spite of obvious need, a strong empirically based rationale, and a growing political will, the hoped-for promise of a new era in child care and early education faced complex, deeply rooted challenges. My purpose here is to explore these tough issues – inequity, discontinuity, and fragmentation – and to offer strategies for addressing them. I suggest that, if our expectations for the late 1980s are to be realized, fundamental shifts in the way we view the nature of children and families must be matched by equally dramatic shifts in the way we conceptualize and craft policies for children and families.

THE SOCIOCULTURAL CONTEXT

Certainly, there can be no doubt that concern about the care and education of young children is at a two-decade high. That more than a hundred child- and family-related bills, many of them with bipartisan sponsorship, were introduced in the 100th Congress attests to the pervasive concern with these issues among elected officials. That the National Governors' Association reports, *The First Sixty Months* and *The First Sixty Months: The Next Steps*, focused on children's issues suggests a further ripening of political awareness. That corporate America, through the programs of individual firms and through the Committee for Economic Development report, *Children in Need*, added its considerable stature and acumen to the cause is also noteworthy.

Such concern in political and economic circles has also been matched by the efforts of educational organizations and agencies. Recently, the U.S. Department of Education affirmed its commitment to early care and education through its funding of significant research efforts on the topic and through its sponsorship of a major national conference. Countless professional organizations have established task forces and panels that have rendered thoughtful analyses and recommendations.

States and cities throughout the nation, infatuated with early care and education, are noticeably increasing services to young children. Since 1980, 21 states have increased spending for prekindergarten programs, and five have begun making contributions to state Head Start programs.[1] Services in the for-profit sector have expanded as well. Corporations are investing in child care and instituting benefits that provide employees and their families with more flexible time, more information, and more financial support than ever before. Family support programs are emerging as adjuncts to hospitals, mental health clinics, and schools.

These events bespeak a new institutional receptivity to addressing the needs of children and families, and such commitment does not emerge without sound cause. Clearly, demographic data that detail the growing participation of women in the labor force, the feminization of poverty, and rising rates of divorce and teen pregnancy paint a portrait of family life that differs dramatically from that of the past for Americans from all economic strata. With half of all married mothers of infants and half of all mothers of preschoolers in the work force, child care and early education are no longer problems of the isolated few.[2] The "deficit orientation" that characterized early intervention efforts of the 1960s and the stigma long associated with child care have been replaced by a new understanding of the importance of child care as a universal work-force issue. From empirical research has come a new understanding that high-quality early intervention is not harmful – and in fact can be beneficial for low-income populations. This has made parents more comfortable with early care and education and has called policy makers' attention to the issue as a national priority.

However, social phenomena, such as the ascendancy of early care and education, can be explained only partially by demographic and empirical data. Beneath the numbers and bits of data, large cultural and historical forces also shape our social perspectives. Offering a sociocultural perspective, Sandra Scarr suggests that our visions of childhood and children change over time and that these changing visions alter pedagogy and practice.[3] Quoting L. J. Borstlemann, who suggests that "each era invents its own child," Scarr indicates that changes in our conceptions of children typically reflect broader beliefs about social, economic, religious, and political issues.

A quick chronology of early-care and education programs reflects these changes in the sociocultural ethos and their impact on policy. Decades ago, when psychodynamic approaches characterized the theoretical context, early education was seen as a vehicle of exquisitely delicate and sophisticated intervention in the psychic development of children. Those who worked with young children were privy to the secret that the preschool years were "a time of great formative influence."[4] Early care and education were seen as ways to strengthen children's psychological fiber.

Emerging from a different sociocultural ethos, child care was fashioned primarily as a way of providing a safe comfortable environment for children so that their parents could work. Later, amidst the optimism of the War on Poverty, Head Start was launched with the hope of lifting children out of poverty. With the coming of Head Start, early education took on another mission, that of providing comprehensive services to another constituency, children of very-low-income families. In each era, our collective vision of children and their needs changed, as did the programs crafted to meet those needs.

If the sociocultural context drives our thinking about children and the services they receive, then we need to explore current sociocultural and theoretical constructs that frame the changing ethos. Buoyed by thoughtful scholarly work over recent decades, our perceptions of how children grow and learn have been altered. Building on the work of Urie Bronfenbrenner, there is general recognition that the development of young children cannot be considered outside the context of the family and community.[3] The words *holistic* and *ecological*, strangers to nonspecialists only a few decades ago, now fill the literature and characterize the orientation of many current programs.

In a similarly pervasive change, we have altered our conception of *when* to intervene; we have moved from treatment to prevention, realizing that it is far less costly – socially, emotionally, and financially – to prevent the onset of problems than to treat them after they become rooted. Consequently, there is a greater focus on the importance of intervening in the early years as an antidote to such seemingly intractable social afflictions as illiteracy, teen pregnancy, and welfare dependence. David Hamburg, in his presidential essay for the Carnegie Corporation, summed up this national sentiment when he dubbed the first few years of life the "great leverage point for the human future."[4]

Generally, current thinking suggests that, although very young children are fragile, vulnerable, and in need of protection, their early years represent a period of great opportunity for parents and service providers. Irrespective of income level, race, or locale, getting infants and young children off to a good start is a universally accepted goal. Preventing problems before they begin and strengthening families and communities are concepts that also reflect our current sociocultural view. These are our beliefs about what is wise and just for children and families, as well as for the collective societal good.

Given this sociocultural context, how can and should our policies be crafted to reflect this ethos? Can a policy framework established over decades to promote categorical and fragmented programs change to embrace the current holistic orientation? Can systems established to serve children, age 5 and older, be altered to accommodate younger children, their families, and a commitment to prevention? In short, can our policies shift to accommodate changes that have already taken place within the sociocultural context, and what do past child and family policies suggest about the potential for future change?

CONVENTIONAL POLICY

Gilbert Steiner, in acknowledging the difficulties inherent in establishing comprehensive family policy, suggests that "the design of policies that can positively affect the quality of family life challenges the inventive capacity of any government." He adds that "organizing on behalf of family policy is not feasible, because it is more like peace, justice, equality, and freedom than it is like higher welfare benefits, or school busing, or medical care for the aged."[7] Although Steiner was writing about family policy, his comments apply equally well to the difficulties of developing a comprehensive policy for children and affirm the lack of such a policy. Although we have no comprehensive national policy for children or families, isolated policy initiatives exist and reveal a great deal about our approach to crafting services for children.

Recalling the history of free public education in the U.S. and the move to provide kindergartens within the public schools, one is immediately struck by the parallels between these two movements and the current movement to provide early care and education. In both earlier cases, as now, services were initially provided to those who could afford them, so that, long before free public education existed, the children of the prosperous received private instruction in their homes, in fashionable academies, or in private kindergartens. In both earlier cases, as now, one critical justification for the expansion of publicly funded services was the inequity of opportunity afforded by a non-universal system and the desire to help the poor move out of poverty. In both earlier cases, as now, expansion occurred at the state level, with a nationwide movement emerging only as a result of widespread, though geographically dispersed, interest.

Such parallels in policy strategy over the years are more than coincidental. One explanation suggests that past policy experience has left a legacy that has shaped ensuing policy. Like family traits passed from one generation to the next, the nation's policy stance on children, formed early on, perpetuates itself and transcends decades and issues. An alternative proposition suggests that fundamental ethical and moral principles have shaped and continue to shape the American ethos. Rather than reflecting the concerns of an era, which, in turn, molded subsequent patterns of debate, the unique (and not always compatible) American values of family privacy, the work ethic, and religious freedom have formed the bedrock on which all children's policy has been and will continue to be built.

Whichever explanation one accepts, two points follow. First, any major effort that fundamentally alters the conceptual orientation toward delivering services to children (e.g., from targeted to universal, from private to public, from categorical to entitlement, from federal to state) will become embroiled in value-related controversy, irrespective of the era. Second, and more significant, the greater the degree to which new children's services seek to alter these existing orientations, the more complex the challenge.

Functioning within this policy context, it is not surprising that the historical stance toward early care and education has been rather timid. Lacking political clout and robust empirical data until recently, most policy initiatives on behalf

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of young children have not sought to alter the conventional orientation. Instead, they have sought to add programs and services that fit in with existing models. Child and family policies have been crafted as individual and independent entities, framed by the interplay of long-standing fundamental ethical values and the changing sociocultural ethos. Children's policies have simply grown, without an overall plan or design. There have been no codified developmental principles to guide policy development. Though legislatively expedient, such a "tinkering-at-the-edges" policy strategy has yielded a jumbled array of overlapping and competing services whose overall quality is severely compromised. Tackling the tough issues of inequity, discontinuity, and fragmentation is the challenge we face today.

THE LEGACY OF CONVENTIONAL POLICY

Inequity. Current systemic inequities affect, both directly and indirectly, the quality of children's services. Directly, there are vast inequities regarding children's eligibility and access to programs. Access is limited because there are not enough available services. For example, Head Start now reaches about 16% of the children who need its services.[4] Middle- and upper-income families also have difficulty obtaining services, particularly for infants and toddlers.

Indeed, the (non)system of early education and child care is universally characterized by "two tiers." Children are segregated by income, with low-income children attending subsidized centers and middle- and upper-income youngsters attending fee-for-service programs. This economic segregation often leads to racial segregation, which does not reflect either the law or the spirit of our nation. The lack of subsidized programs creates an "opportunity gap" for children of the poor even before they enter kindergarten. But an "opportunity gap" also exists for all youngsters, because the segregated nature of preschool programs diminishes the opportunities for integration and equity, which lead to excellence.

Indirectly, children are affected by the lack of equity that exists for their providers and teachers. Young children need the care and expertise of well-trained teachers who can afford to maintain a commitment to their profession. When staff turnover is so high that the quality of a program is jeopardized, the youngsters suffer. Motivated by higher salaries, better benefits, and superior working conditions offered in other professions, people are leaving the field of early childhood education and care at unprecedented rates.

But an internal problem exists as well. Because significant differences often exist between the salaries and status accorded those in child-care programs and those in schools (even if they perform comparable work and have comparable training and experience), within-field shifts are also frequent. While career advancement is encouraged, the lack of equity within the system exacerbates the problem of staff turnover and severely compromises quality.

A third issue in the debate about equity centers on inconsistent regulations. Currently there are no federal regulations governing early care and education, although Head Start has national performance standards. States are responsible for licensing, but they carry out this function according to vastly different regulations.[5] Even more problematic than the disparity in regulations from state to state is the lack of consistent standards across programs within a given state or community. For example, in some states, preschool programs in churches or schools may be exempt from licensure, while programs around the corner that serve the same population must meet lengthy licensure requirements. Such regulatory differences significantly affect start-up rates and costs and breed acrimony among programs and providers.

These equity issues raise tough practical and philosophical challenges that need to be addressed in a systematic way. They do not fall within the purview of any single administrative agency; rather, they must be addressed across social service systems. Do all children deserve equitable services and equal access to them? Do we continue to serve children in segregated settings, or are there inventive alternatives that will foster greater economic and social integration? When programs are expanded, what steps should we take to insure greater equity of access? Should such programs be publicly or privately financed?

Discontinuity. Although developmentalists affirm the importance of continuity between the spheres of a young child's life (e.g., between home and program or from grade to grade), maintaining such ties has proved problematic. Often, for example, natural differences in values, expectations, and goals exist between parents and teachers or caregivers, and these differences heighten the challenge. Because continuity is so closely linked to quality in all services for young children and because continuity is often difficult to achieve, programs must focus attention and staff resources on maintaining bonds with families. This is often done through employing family workers, through outreach activities, and by providing support and education for parents. Without the intention to foster continuity between home and program and without staff members available, such continuity is, at best, difficult to achieve.

A second dimension of the discontinuity problem focuses on the pedagogical and curricular discontinuity that exists among preschool programs, kindergartens, and elementary schools. Essentially, the pedagogical question of what to expect from early care and education has not been answered definitively. Are preschool programs preparing youngsters for kindergarten and the demands of schooling, or are they preparing children for later life, when motivation, curiosity, and creativity are important skills? How one answers this question determines the curricular orientation that will be established. Without consensus, without dialogue between preschool and kindergarten teachers, and without the input of the institutions that prepare teachers, curricular discontinuity will prevail.

The discontinuity is somewhat eased by the advent of the National Association for the Education of Young Children's *Developmentally Appropriate Practices*, which provides early childhood educators with a helpful common guide for quality. Nonetheless, developing good programs remains a challenge. Ratios of adults to children and mandated curriculum and instructional modalities prevent good early childhood pedagogy from taking root in many classrooms.[10] Furthermore, teachers realize that children differ on every measurable characteristic, so that, even with ideal curricula and adult/child ratios, the goal of individualizing activities and programs to meet each child's needs and to make each child's experience continuous is not always easy to achieve.

[illegible] third dimension of the discontinuity dilemma relates to policy strategies that determine when and if children will move to the next grade. Currently, developmental testing and screening are being used to help guide parents and teachers as they make decisions regarding the entry and placement of young children. In some cases, such testing denies children access to programs and holds them back without sound evidence that such strategies are productive.[11] Because of the potential to misdiagnose based on a single test score, the questionable validity of many of the tests being used, and the difficulty of testing young children, some have cautioned against the use of tests and have called for improved teacher observations and for record keeping that includes developmental logs and checklists.

Fragmentation. Partly because of different historical roots and different social missions and partly because of our nation's piecemeal approach to policy making, the tableau of child care and early education is a mixed assemblage of various program types, each having its own mission, audience, regulations, and funding streams. In certain instances, such an assemblage works well, but in many communities the picture is one of confusion and competition among programs.

The hotly contested debate about where to locate new early-care and education programs is a clear example of the lack of agreement that continues to fragment the field. Advocates of an expanded role for the public schools tout the advantage of the schools' accessibility, while advocates for a more mixed system of child care and early education point to the variability of communities and suggest that local option should prevail. Still others are concerned that public schools may not be sufficiently flexible to meet the comprehensive needs of young children or that the schools may not be sufficiently sensitive to accommodate the needs of culturally and linguistically diverse populations.

Two highly visible consequences of fragmentation have been discussed above: inequity and discontinuity. But more subtle consequences also pervade the field. Boldly pointing out what the field has long recognized, a recent report on Head Start chronicled the intensity of competition between Head Start and state-funded preschool programs. Of the total number of programs nationwide, 44% reported competition for children, 59% for staff, 52% for space, and 37% for all three.[12] While this report documented Head Start's relationship to state-funded preschool initiatives, such competition also affects many communities, particularly those that are experiencing program expansion and personnel shortages simultaneously. Cooperative training across sectors is an effective strategy to combat such tensions, but it rarely takes place, in spite of its cost-effectiveness. Joint purchasing across funding streams remains rare as well. Rather than a group of programs working together with common spirit and resolve, the "system" of early care and education remains fractured in most communities.

Beyond inefficiencies in service delivery, competition and fragmentation have serious consequences for the ways in which providers and professionals think about and shape visions for the future. Given intense programmatic loyalties, it has been difficult to generate a broad constituency to advocate for early care and education, a constituency that transcends specific programs. The Head Start community is well-mobilized, the for-profit providers have coalesced, and day-care advocates remain staunch supporters for expanded services in their domain. Such loyalties, while necessary to maintain specific programs, have prevented the easy formation of alliances among professional colleagues that can bind and build a profession.

A NEW POLICY CONTEXT

Thus far, I have suggested that, while a new and fundamentally different sociocultural context exists in the field of early care and education, it has not been matched by a shift in the policy context. Moreover, I have argued that merely tinkering at the edges of policy on early care and education has proved dysfunctional. The results of such a strategy have made the delivery of services to children inequitable, segregated, and lacking in the quality that could and should characterize the system.

What is needed to alter the conventional policy-making strategy to tackle the tough issues? Julius Richmond and Milton Kotelchuck's theory of policy construction offers guidance. They suggest that three factors must converge before "we can really talk about the development and implementation of public policy." These are 1) an appropriate knowledge base, 2) the necessary political will, and 3) a social strategy.[13]

The discussion above suggests that the first two conditions are being met. But what of the third? Is there a social strategy that is sufficiently articulated to guide policy making on early care and education? An analysis of the proposed legislation of the 100th Congress and of the numerous commissions studying early care and education suggests that a single strategy has not emerged. But such an analysis also indicates that provocative dialogue is taking place and that new strategies that transcend incremental advances on what has gone before are being considered.

Recognizing the severity of the fragmentation among systems, nearly every bill – ranging from large federal to small municipal initiatives, including those that endorsed single-sector delivery systems (e.g., the schools) – called for the establishment of interagency or multidisciplinary committees to facilitate cross-sector planning. To promote continuity for children and the stability of centers, some bills proposed to establish "liability insurance pools," so that centers would not be forced to close because of a lack of insurance. Other bills encouraged full-day and full-year services for youngsters, thereby maximizing continuity in a different way. Tax-credit proposals, although they varied widely in detail, would have increased parental choice. Other bills proposed to improve the quality of programs by establishing consistent regulations and by providing training for staff members. Although the legislation remained "gridlocked" in the closing days of the 100th Congress, the levels of funding discussed also increased from millions to billions. Just as important, new social strategies were discussed that tackled systemic problems of inequity, discontinuity, and fragmentation.

Outside the policy-making arena, there is even more dramatic evidence that a new ethos – one that addresses the tough issues – is taking root. The move to view problems and solutions more broadly is evident in foundation programs, in the work of scholars, in the professional organizations, and in the corporate sector. Foundations, recognizing the severity of the problems posed by fragmentation, are supporting the development of interdisciplinary, community-based planning teams. Analysts are pursuing the issue of equitable salaries, looking at who is teaching, who is coming into the profession, and what can be done to improve salaries and benefits.[14]

Because discontinuity and fragmentation characterize the social fabric of early care and education and dramatically erode quality, nearly every commission that has dealt with services for children and families has called for cross-system collaboration. The National Governors' Association, the National Association of State Boards of Education, the Association for Supervision and Curriculum Development, the Council of Chief State School Officers, and the National Black Child Development Institute, to mention but a few, all recognize the crucial importance of considering the total ecology of early care and education.[15]

In a dramatic shift from a categorical to an entitlement approach, the Council of Chief State School Officers, in *Elements of a Model State Statute to Provide Educational Entitlements for At-Risk Students*, suggests that school districts make half-day child development programs available to all young children who are at risk. While school districts have offered preschool programs in the past, they have done so at the discretion of local authorities. And with rare exceptions (e.g., New York City's Giant Step program), there was no stipulation that programs be offered to *all* or even to *all at-risk* preschoolers. Thus the recommendation of the Council of Chief State School Officers constitutes a dramatic change in orientation that has the potential to reduce fragmentation and acrimony in the field.

Other inventive proposals reflect a similarly broad reconstruction of conventional approaches to policy. In advancing the proposal to create a Children's Trust, Jule Sugarman has shifted the nature of the debate to embrace new approaches to financing services for children. In addition to creating a much larger pool of resources, the idea of a trust would not significantly increase the regressivity of the tax system, nor would it impose an unreasonable financial burden on lower-income taxpayers.[16]

While a single strategy has not yet emerged, it is significant that a variety of new approaches is being discussed and debated. Business as usual is being altered: scholars and practitioners are framing problems differently. Our constellation of beliefs is changing, and new visions of the future are emerging. That such provocative proposals are being considered signals a ripeness for change. Without question, this is a fertile and creative time when conventional policy strategies are being challenged.

Two key forces have fertilized the current receptivity for change. First, there is a growing sense that what has gone before has been only marginally effective. Second, there is a willingness to learn from the past and to structure approaches that will address previously intransigent issues, including inequity, discontinuity, and fragmentation discussed above.

In an era of such creative thought, yet one that lacks a unified vision, how do

In early care and education there are clear signals of discontent with the past.

we move ahead? At this juncture, what steps can we take that will improve services in the short run and ready us for long-term structural changes?

NEXT STEPS

To minimize the impact of these three problems, communities and states must plan in ways that span agency boundaries and funding streams. To this end, communities need to establish mechanisms and engineer partnerships that will foster collaboration among planners, policy makers, and providers of services. Capitalizing on the current Zeitgeist and preparing for a future reorientation can be accomplished through community-based planning councils whose membership includes representatives of the public and private sectors, of higher education, and of the regulatory agencies. These councils or planning teams need to identify principles that are rooted in knowledge of child development and that reflect the unique values of their communities. Planning teams in each community should identify an ideal array of services that young children should receive. Each council should undertake an assessment of the community's need for services, and the councils should prioritize these needs according to principles agreed upon in advance. Funding sources and other resources should be identified to assist with implementing each community's plan.

Because states control licensing, set standards, establish monitoring procedures, and have the ability to enjoin parties to take action, they can be catalytic in preparing for change. States need to look at the comparability of regulations across funding streams, as well as at regulations that may prohibit the creative use of funds. States also need to develop interagency planning bodies and to assist communities in setting up their councils. In states where there is no coordinating office, consideration should be given to establishing one. To be successful, such an office would need to have sufficient funding and interagency authority to carry out program planning and development. One variation might be to establish an interagency office within an existing agency.

Although this strategy places a heavy burden on communities and states, there are important roles for the federal government. The federal government should take on the responsibility for generating and disseminating information. It should support research that extends our collective knowledge base, and it should support demonstration efforts that create structural alternatives to our current piecemeal delivery system. Information about promising efforts should be disseminated widely. As in other industries, the government should lend support when there is a crisis in early care and education, such as when a lack of liability insurance forces programs to close or when insufficient numbers of qualified staff members prevent programs from opening. Finally, working in concert with the states, the federal government should reexamine its policies and procedures to insure that high quality is maintained and collaboration between programs is facilitated.

Predicting major shifts in the way a field progresses is sometimes difficult. Yet, in early care and education there are clear signals of discontent with the past and of a readiness to alter conventional modes of thinking and doing: the time seems ripe for change. Whether a fundamental transformation takes place and what its consequences will be are uncertain. What is certain is that the field must tackle the tough issues. To do so, it welcomes emerging creativity of thought and firmness of purpose.

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Chairman **Hawkins**. The next witness is Dr. Sandra Hofferth, Senior Research Associate, Urban Institute.

Ms. **Hofferth**. Thank you, Mr. Chairman, and members of the committee. I really appreciate this opportunity to testify about child care before the Committee on Education and Labor.

One of the questions that I am asked all the time is whether there is a discrepancy between the demand for and the supply of child care. The answer in brief is no, probably not. But that does not mean there is no legitimate and important concerns that policy and legislation might address such as licensing, the price of care, whether parents are getting what they want and children what they need.

First, I will address demand, then supply, then put them together. Finally, I will address two important concerns, expenditures on care and parental preferences.

First, how many preschool children need care. If you look at my testimony, figure 1, you will see that demand depends on the number of children and the number with mothers in the labor force. In figure 1, the number of children has been increasing since 1980. That is the bar on the left, the higher bar. By 1995, if current trends continue, there are expected to be 22.5 million children under age 6. And, in addition, although it is not shown in this figure, there are projected to be 30.6 million children 6 to 13, would be relevant to the school-age child care issue.

The second part of demand is the number of children with mothers in the labor force. The bar on the right in figure 1 shows that number that are with mothers in the labor force. If trends continue as they have been since 1970, I have projected there to be just under 15 million preschool children, 14.6 million, with mothers in the labor force in 1995, and that would be about two-thirds of preschool children.

Looking at school-age children, and it is not presented in this figure, there would be about 23.5 million school-age children 6 to 13 with a mother in the labor force. It would be about three-quarters of all school-age children 6 to 13.

Now the question is, or one question is will this happen? Certainly the labor force participation of mothers can't keep increasing indefinitely. We have seen a slowdown in the past several years. The biggest slowdown occurred among divorced, never married and separated mothers. These mothers will be affected by welfare reform. If the Family Support Act of 1988 is successful, the labor force participation of these mothers should rise, so we may see a reversal of this apparent trend.

Finally, fertility has been higher than anticipated, so it is really still too early to tell how accurate these projections will be.

Now, when they hear these figures many people immediately jump to the conclusion that in 1995 all 14.6 million preschool children will need out-of-home, non-relative care, and when they compare this with the number of slots, they conclude that a big discrepancy exists, but that is just not correct.

First of all, the actual—looking at figure 2, you see the actual arrangements of preschool children. The bar all the way to the right shows the 1985 figure. You have it for 1965, 1977, 1982, and 1985. If you look at the relative one, on the left, you see that 48 percent of children in 1985 were cared for by a relative, that includes the father as well as other relatives; 6 percent by a babysitter, that is a non-relative in the child's home; 22 percent in family day care homes, that is a non-relative in the non-relative's home; and 23 percent in a center or nursery school.

There have, of course, been substantial changes since 1965. If you look from the left to the right, you will see there has been a big decline in care by a relative or by a babysitter and an increase particularly in care in a day care center or nursery school.

In addition, I have not mentioned the tremendous increase in demand for preschool programs in general, regardless of whether or not their parents work, their mothers particularly. The proportion of 3- to 4-year-olds enrolled in school, in pre-primary school, doubled between 1970 and 1985, from 21 to 39 percent. In 1985, 87 percent of 5-year-olds, 49 percent of 4-year-olds, and 29 percent of 3-year-olds were enrolled in pre-primary school, and this is about the same in 1987, the most recent figures which I had.

In addition, of school-age children, 5 to 13, with a mother in the labor force, 63 percent were cared for by a parent after school, 4 percent by an adult sibling, 10 percent by another relative, 12 percent by a non-relative, and 11 percent, no adult. That would be that they were in self-care or in care of a younger person, a person under age 14.

Now, to summarize the demand for care, in 1987, if you look at table A, that is shown in table A at the top of the page. In 1987, there were 11.3 million preschool children with mothers in the labor force. That comes from the column "Number with employed mothers," adding up the children 0 to 2 and 3 to 5. Of these 11. million preschool children, about 6 million were cared for by a relative or sitter, and 5.3 million in out-of-home, non-relative arrangements.

Now I am going to move on to supply, and I will come back to the demand and try to put them together.

In 1986, there were about 40,000 day care centers in operation with a capacity of 2.1 million children. That is about double since 1975. In 1986, there were also estimated to be 105,000 licensed day care homes in operation with a capacity of half a million children, and that was about a third increase in 10 years. That makes it—for a total in 1986 of 2. million licensed home and center slots.

Putting this together with demand, and we take the 5.3 million out-of-home, non-relative care arrangements and subtract the 2.6 million children in care of a relative or a babysitter, and we get, no, the 2.6 million licensed slots and we get 2.7 million children in nonlicensed slots, and those 2.7 million children would be affected by any attempt to increase licensed, compared with unlicensed, slots.

Now one caution I should make in that this is a crude estimate. I am assuming all centers, for example, are licensed, and that is not true. As Sharon pointed out, centers that are under school auspices in many States are not required to be licensed and church-sponsored centers are the same in some States.

So what might be meant, then, by an unmet need for child care by lack of availability of care. First, it might mean a deficiency of licensed slots, as I have pointed out, this 2.7 million. It may mean a mismatch between the age of child and ages for which slots are available such as for infants. Few centers actually enroll infants. It may mean a geographic mismatch between supply and demand such that slots are in one place and children somewhere else. It may mean care that is not affordable. It may mean that parents are not getting what they want or children what they need.

We don't really know too much right now about some of these issues; for example, the mismatch between age, because we are really lacking important information on the distribution of slots by age and the geographic mismatch. Some of this will be addressed in several studies that are being conducted, one of them by Mathematical Policy Research who is going to be doing a national survey of licensed center day care, home care and the Urban Institute is conducting a study funded by the Administration for Children, Youth and Families and NAYC of Consumers which will link to unlicensed providers. So we will have some more information in about the next year. But it is a lengthy process and certainly research is needed in this area.

But I would like to focus on expenditures and preferences. A study I conducted on the national longitudinal survey of youth found that in 1985 young families were paying $1.00 to $1.50 per hour for care, which amounts to about $40 to $60 per week for full-time care. Not only were families what seems like a low amount, but very surprisingly, real expenditures on child care in a day care center or a family day care home had risen very little since 1975, while real expenditures on care by a babysitter had risen a lot.

These figures are very similar to figures found in analyses of other nationally representative data sets including the Survey of Income and Program Participation, which is Census Bureau, and the Consumer Expenditure Survey, and in addition a recent 1988 survey of South Chicago, Camden and Newark by Mathematical Policy Research. A recent 1988 national survey found the average weekly expenditure on child care to be $56 per week, about $1.50 per hour.

Of course it may be more important to compare expenditures to total family income. That is, what is the share of the family budget that child care represents? Over all families child care takes up 10 percent of the family budget, but it is under 5 percent for high income families but it is as high as 20 to 26 percent among poor families. Now 10 percent is comparable to expenditures on food, 20 to 25 percent to expenditures on housing. Low income families who pay for care are paying a considerable portion of their income for it, but, in addition, I should point out that high income families could pay more. They are paying under 5 percent now.

Now, the next issue is perhaps parents are not getting what they want. Parents report themselves satisfied, by and large. In a 1988 survey, only 4 percent reported themselves to be not very satisfied or not satisfied at all with their current child care. On the other hand, almost one in five would like to change arrangements. When we examine the reasons for wanting to change, the most important are quality related. Parents are very aware of and concerned about the quality of their child care, and this is absolutely highest on their list. Convenience concerns such as location come next, and cost is third or even lower on the list.

And I should point out that day care home providers apparently do not do much to help consumers know about available slots. The Mathematical Policy studies in three sites found that centers are filled pretty much to capacity, but there is excess capacity in day care homes. But one of the problems is that they don't do anything to let consumers, parents, know what is out there. So, as a result, there is, apparently, substantial unutilized capacity in family day care homes.

So, in summary, even though there has been an enormous increase in demand for child care and preschool programs, children are being cared for. The supply of care has also increased dramatically. There are a number of factors that suggest that availability of care, per se, is not a major problem. First, few children are caring for themselves, particularly preschool children. Second, supply has increased enormously. Third, parental expenditures have not increased much. These three suggest very elastic market response to increasing demand. And, finally, parental preferences show overall satisfaction with their children's care arrangements.

However, a number of possible problem areas such as care for infants and care for children of low income working parents need immediate attention. Finally, and there may be other important goals such as equity, such as between males and females or between families with and without children, and the well-being of children might justify intervention into the market.

Let us not blame it on the market, however, but address these goals directly. And I think that we have certainly done that this morning. I am very encouraged by the testimony here.

Simply pointing to some hypothetical gap between demand and supply is not going to help obtain more high quality, affordable care. The fact is that children are currently being cared for. What then is the goal? For example, is it that all children now in out-of-home, non-relative care be in licensed care? Is it making sure that parents have the information they need to select high quality arrangements? Is it to help low income families provide good quality for their children while parents work?

Clarifying the objectives will greatly improve our ability to figure out where we are, what we must do to get where we want, and what it will be like once we get there.

I will be glad to answer any questions. Thank you.

[The prepared statement of Sandra Hofferth follows:]

WHAT IS THE DEMAND FOR AND SUPPLY OF CHILD CARE IN THE U.S.?

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Testimony presented before the House Committee on
Education and Labor, February 9, 1989.

One of the questions that I am asked all the time is whether there is a discrepancy between the demand for and supply of child care and early childhood programs for employed mothers. The answer that I give you first is probably not, since almost all preschool-age children, the age group on which I will focus, are being cared for by someone while their mothers work. Research indicates that only a very small proportion of preschool age children - under 1 percent - are caring for themselves. Although even that number is too many, it does not suggest a major problem in this age group. I will first focus on how many children are in need of care and what types of arrangements they are in. Then I will propose what I see as several legitimate issues, such as the number or proportion of children in licensed arrangements, the price of care, and whether parents are getting what they want. First I will look at demand, then supply, then try to put them together.

I. How Many Children Need Care?

I will first focus on care needed because the mother is employed; then I will look at the demand for preschool programs more generally, regardless of the employment status of the mother.

The demand for child care for the children of employed mothers depends on the number of children and the percent with mothers in the labor force (in schooling or training). The post-WW II baby boom greatly increased the number of children. Now these baby boom babies are in their twenties and thirties and having their own children. (Figure 1 here). The number of preschool children declined until about 1980 (bar on left), after which it has been increasing. To determine how many of these children need care we must know the labor force participation of their mothers. In this figure, the bar on the right represents the number of children with mothers in the labor force, which has been increasing, as the labor force participation of their mothers has been increasing.

Since the early 1970s the proportion of children under 6 with mothers in the labor force has increased by nearly 80 percent, from 29 in 1970 to 51 percent in 1988 (U.S. Bureau of Labor Statistics, 1988; Hofferth and Phillips, 1987). The largest increase in the last decade was in the proportion of children under age 1 with mothers in the work force, which rose 65% between 1976 and 1987, from 31% to 51%, compared with an increase of 38% for children under 6 over the same period.

If trends continue as they were between 1970 and 1985, by 1995 I have projected that there will be just under 15 million preschool children with mothers in the labor force. About half had mothers in the labor force in 1985; by 1995 two-thirds will.

Now, you may ask, what are the chances that maternal labor force participation will continue its steady rise, in particular, since the rate of increase appears to have slowed? (BLS reports a leveling off of maternal labor force participation in the last 3 years, but especially between 1987 and 1988.) First of all, the rate of increase has to slow sometime. We just don't know when. But since there are deviations from year to year in any long term trend; there is no way to tell if this portends an end to the rise or whether it is a temporary aberration. Second, apparently the 1987 figures may be the aberration from the trend line rather than the 1987 figures. There was a substantial increase in maternal labor force participation between 1986 and 1987, a change which may be due to changes in the sample rather than to real changes. Finally, between 1987 and 1988 the labor force participation rates for married, spouse present women actually continued to rise. The leveling off (or even decline) occurred for divorced, never married, and separated mothers. This is the group of women that will be affected by the new welfare rules requiring employment, schooling or training for all mothers of children 3 or older. Therefore, it is likely that as these programs are phased in, the labor force participation of these mothers will increase substantially. In addition, fertility rates have been somewhat higher than anticipated, so it is really too early to tell how accurate these projects will be.

When they hear these figures many people immediately jump to the conclusion that in 1995 all 14.6 million preschool children will need out-of-home non-relative care, and when they compare this with the actual number of licensed slots they conclude a huge discrepancy exists. Now, not all of these children will need out-of-home non-relative care. Figure 2 shows the actual percent distribution of preschool children in different types of care in 1985 and trends since 1965. Just look at the bar to the right for a minute. You can see that about half of all children - 48 percent - were cared for by a relative in 1985. Another 6 percent were cared for by a sitter in the child's home, 22 percent in family day care (including both licensed and unlicensed care) and about 23 percent in a day care center or nursery school (Hofferth, 1987; from U.S. Bureau of the Census, 1987).

It is clear too that dramatic changes in care of preschool children with working mothers have occurred. These changes include declines in care by a relative and care by a sitter in the home, small increases in care in a family day care home, and dramatic increases in care in a day care center (this is true for infants as well as for 3 and 4 year olds). But we should not forget that about half of all children are cared for by a relative. This includes care by the father; about half of this figure (25 percent) is father care, a figure that has not changed over the past two decades (Hofferth, 1987; from Low and Spindler, 1968; U.S. Bureau of the Census, 1982, 1983, 1987).

Although the great majority of employed mothers work full-time, three in ten mothers work part-time: one of three married mothers and one in five unmarried mothers (U.S. Bureau of Labor Statistics, 1987). About 2 of 5 children under 6 of employed mothers have mothers who work full-time, full-year (Zill, 1988). In addition, in one-third of dual earner families in which both partners work full-time, one partner works on a non-day shift (Presser and Cain, 1983). In one in ten there are no overlapping hours, so partners can cover care themselves. This means that families have a variety of needs and ways they can care for children. A chart comparable to Figure 2 for the children of part-time working mothers would show a higher proportion in relative care and a lower proportion in family day care homes and in centers.

These overall figures mask differences by age of child. As children age they are increasingly cared for outside the home, with almost all children in an early childhood program by age five. This development has been produced by the increase in the labor force participation of mothers, on which we have focused. But also, there is a trend toward earlier education for young children in general. The proportion of 3-4 year olds enrolled in school doubled between 1970 and 1985, from 21 to 39 percent. In 1985, 87 percent of five year olds, 49 percent of four year olds and 29 percent of three year-olds were enrolled in preprimary school (U.S. Bureau of the Census, 1988b). Kindergarten and nursery school enrollment of 3-5 year olds not only has grown over the 1st decade and a half, but also has become increasingly full-day.

Full-day preprimary enrollment of kindergarten students increased from 14 to 38 percent between 1970 and 1985. While some of this preprimary enrollment is motivated by maternal employment status among 3-4 year olds, this difference has pretty-much disappeared by age five (U.S. Bureau of the Census, 1988b). Parents also indicate increased preference for early childhood programs for children as they approach school age (UNCO, 1975). Unfortunately, questions about use of child care while mothers are working and questions about enrollment in early childhood programs regardless of parental employment status have not been asked in the same surveys or in such a way as to be able to obtain a comprehensive picture of children's early educational experiences.

Table A in the background document shows the number of preschool children in 1987 with employed mothers. Putting this together with the arrangements in Figure 2, we conclude that of the 11.3 million children under 6 with working mothers in 1987, 48%, or 5.4 million, used relative care as their primary form of care. If we add to that about .6 million children who are in the care of a sitter in their own home, we can conclude that at present about 6.0 million children are cared for either by a relative or by a sitter in their own home and about 5.3 million are cared for in out-of-home non-relative arrangements. (Note: this assumes that each child is in only one type of arrangement. In fact some 13% have multiple arrangements (U.S. Bureau of the Census, 1987).

II. What About the Supply of Care?

Supply can be characterized by availability, cost and quality. I will address the first two, beginning with availability. Quality is probably the most important; however, since I cannot do it justice in this short period of time, and since we have no recent national data on characteristics of early childhood programs I will not comment on it.

In 1986 there were estimated to be some 63,000 day care centers of which some 40,000 were estimated to be in operation, with a capacity of approximately 2.1 million children. Compared with figures from 1976, the number of licensed centers has approximately doubled over the last 10 years. This is consistent with the dramatic growth in use of center-based care described earlier. (Some centers, such as those run by churches and schools are not required to be licensed in some states.)

We do not know the total number of day care homes currently in operation, since it has been estimated that some 50 to 90 percent are unlicensed (depending on the definition of day care homes). In 1986 there were 165,000 licensed homes and estimated to be 105,000 in operation, with a capacity of about half a million children. Compared with figures from 1977, the number of licensed home was estimated to have increased about one-third in the last ten years (Hofferth and Phillips, 1987).

Based on these figures, I calculate that in 1986 there were about 2.6 million licensed day care home and center slots. I estimated previously that about 5.3 million children were in out-of-home non-relative care. Therefore I conclude that about half of these children were in licensed, and the remainder were in unlicensed slots. This suggests that some 2.7 million children would be affected by any attempt to increase the number of licensed care slots compared with unlicensed care slots. And of course, this assumes that the proportion in care of a relative or a sitter would remain the same. As we saw, the proportion in those arrangements has been decreasing and will probably continue to decrease.

III. What is Meant by an Unmet Need for Child Care?

What is meant by a deficiency of supply, therefore, might mean a deficiency of licensed slots. If a goal were to license all family day care, then 2.7 million licensed slots would be needed. A second possibility is a mismatch between age of child and availability of licensed care for children of that age, infants in particular. An increasing proportion of infants are apparently being cared for in day care centers (Hofferth and Phillips, 1987,) yet we have no national data on how many slots are available in centers for infants. A third possibility is that there may be a geographic mismatch in supply and demand. We have little information on the geographic distribution of supply of licensed slots, for example. Fourth, the price of care may put it out of reach. Finally, parents may not get what they want.

Since no recent national information from providers on age and geographic distribution is available, I will focus first on parental expenditures on care, then on preferences.

Family Expenditures on Child Care

Not all families with an employed mother pay for child care. In 1985, 20 percent paid nothing at all (Hofferth, 1987). Among families with a youngest child under 5, only a little over half of those who used a relative paid for care, whereas almost all of those who use a sitter, day care home, or center paid for care. Of those who paid, how much did families pay for care? In 1985 the average weekly dollar cost of child care for all children (among young families who paid for care and who had a youngest child under 5) was $37 per week. This ranged from $35 for those who paid a relative to $39 for those who paid a day care home provider (about 30 hours a week). I also calculated the mean hourly cost in 1985. Mothers paid between $1.00 and $1.50 per hour for care of their youngest child under 5 (Hofferth, 1987).

When I compared dollar per hour expenditures in 1985 with dollar per hour expenditures in 1975, ten years earlier, adjusted for inflation, I was very surprised with that I found. I discovered that expenditures on day care center care had risen not at all, day care home care only slightly, but the hourly cost of care by a relative or by a sitter in the home had risen dramatically (Hofferth, 1987). Again this suggests the great elasticity of supply of day care centers and homes, and the inelasticity of supply of relatives and babysitters, and is consistent with the increased use of centers and homes and decreased use of relatives and sitters that I showed in Figure 2 earlier.

Now these dollar figures sound low. There are two important cautions. First the families are young (20-27 in 1985); however, more important, these figures are for care averaging 30 hours per week. Care for 40 hours would come to between 40 and 60 dollars per week ($2,000-$3,000 per year), depending on the type of care. This certainly is more in line with our experience. In addition, these figures are from 1985, now over 3 years ago. I updated the figures to 1986 and find a 5% increase, to about $40 per week. Very similar figures have been found in analyses of nationally representative studies as diverse as the Survey of Income and Program Participation and the Consumer Expenditure Survey. A recent survey found expenditures in November 1988 of $56 per week, or $1.50 per hour (USA Today, 1988).

What makes more sense is to look at the proportion of family income that these figures represent. What is the share of the family budget that child care represents? Although $37 per week may not seem like a lot, it does make up a substantial proportion of the family income - about 10 percent over all, but as high as 20 to 26 percent among poor families. While 10 percent is a substantial proportion of a family's income, comparable to expenditures on food, 20-25 percent constitutes a major expenditure item in the family budget, comparable to that of housing. Again, studies using other nationally representative data sets find similar budget shares spent on child care. (The median family income of the sample used was $20,000 per year, compared with a median of all U.S. families of $27,735 in 1985).

My conclusion is that at the level of 10 percent of the family budget or lower, families appear to have no major difficulties in paying for care. In a 1988 survey, only three percent of parents named cost of care as a reason for wanting to change arrangement (USA Today, 1988). And, in fact, higher income families are spending under five percent of their incomes on child care (Hofferth, 1987; Brush, 1987). They could spend more. Low income families are having the most trouble, spending as much as 20-25 percent of their incomes on child care alone. The price of care is important for other reasons, of course. It affects labor force participation rates and it affects the type of substitute care chosen. By altering the price of care, people's choices will change to some extent.

Preferences

Finally, an important indicator of unmet need may be that parents are not getting the care they want for their children, or that it is of low quality. I will address the question of preferences and leave the question of quality for others to addresss.

In a 1975 national survey of parents (UNCO, 1975), fewer than 10 percent of all parents surveyed reported themselves to be less than completely satisfied or to be dissatisfied with their current child care arrangements.

In a 1988 national survey of parents of children under 13 (USA Today, 1988) only 4 percent of all parents feel in this category. This certainly does not suggest an increase in dissatisfaction with care. Of course, when asked such a general question, who would respond that they are not satisfied? When asked whether they would like to change type of care, in 1988 19 percent said they would like to change, compared with 24 percent in 1975. According to the 1988 survey, 50 percent mentioned reasons of quality (not right for my child, reliability, quality, and child outgrew), compared to 19 percent for convenience and only 3 percent for cost. In 1975, in contrast, 39 percent mentioned quality-related reasons, 10 percent convenience, and 9 percent cost. Parents were also asked the biggest source of stress about child care. Interestingly, "paying for care" was not highest on the list. Rather, it was "missing big events in children's lives." Two conclusions can be drawn. First of all, parents are very aware of quality. Cost is not the biggest source of stress for parents; rather, quality issues are very high on the list. All the top issues (except caring for a sick child) can be considered quality and quality-of-life related. What is also remarkable is that the sources of stress are very similar for both parents. Mothers feel the money pressure more than fathers; presumably the former's incomes are lower. The results also suggest that fathers are much more involved in their children's lives or would like to be than in the past. It is remarkable how similar responses are for husband and wives.

IV. Summary and Conclusions

The number of children with employed mothers is expected to rise at least until 1995 if trends continue as over the past 15 years. There has been a shift into group care arrangements for preschool children, and increasingly, infants and toddlers. However, half of all care is still provided by relatives. The supply of care for preschoolers has apparently kept up, with only 2-3 million preschool children in unlicensed out-of-home, non-relative care, according to crude estimates from 1987.

How much does it cost? All major national surveys have estimated parental expenditures on care to average about $40 per week. Analysis of change between 1975 and 1985 shows expenditures on center and family day care to have remained fairly stable in real terms, while expenditures on care by a relative or a sitter have increased greatly. Among those who pay for care, child care expenditures constitute a substantial proportion of the total weekly income of American families who pay for care - about 10 percent is a substantial proportion of income, comparable to expenditures on food, 20 to 25 percent is comparable to that expended on housing.

Although the small amount of evidence does not suggest that there is a gap between supply and demand, there are several questions that need to be answered, such as the availability of licensed care for infants and the geographic distribution of different types of care. The Mathematica Policy Research Study of Child Care in South Chicago, Camden, and Newark was an important step in the right direction, as is their Profile of Child Care Settings Study, funded by the Department of Education, which will interview a nationally representative sample of licensed providers. I would like also to mention the National Child Care Consumer Survey, funded by the Administration for Children, Youth and Families and the National Association for the Education of Young Children, which will collect data on enrollment in early childhood programs from a national sample of parents of children under 13 in the fall of 1989, and will also interview a sample of licensed and unlicensed providers.

Certainly, just as the problems are varied, so the needs of parents and children are diverse. Parents (and children) are not all alike in their needs and preferences. Some mothers work; others strongly prefer to raise their children with only parental care. Some families may choose inappropriate programs because they do not recognize a good program or fail to appreciate its value, while other families select them because they are severely constrained by income. I see a problem for the working poor, which constitutes a small but important of the population of working mothers with preschool children (12 to 14 percent in 1987), and which spends a significant proportion of income on child care. In addition, there may be other important goals - equity (between men and women; across the life cycle) and the well-being of children, for example - that would justify intervention. The benefits of pre-school programs, including Head Start, which I have not addressed, certainly argue for more complete coverage of low income children in high quality early childhood program, whether the mother is employed or not, and the data on the expansion of the labor force participation of mothers suggest a need to make early childhood programs more responsive to the needs of employed mothers. This is important if women are both to contribute their skills in the labor force and to raise children. Although we are not now concerned about "the birth dearth," we may be in the future. For those who wish to raise their children primarily using parental care, job-protected parental leave would be helpful, as would child allowances. Finally, I think that the problems that we see are a symptom of a major problem in American society today, the devaluation of childbearing and rearing. There is little extrinsic reward for caring for children. Parents and the public, in general, must be kept informed of the importance of providing and paying for high quality programs for children.

Finally, I see it as very important to clarify exactly what the objective is, since simply pointing to some hypothetical gap between demand and supply is not going to help obtain more high quality affordable care. The fact is that children are currently being care for. What then is the goal? For example, is it that all children now in out-of-home non-relative care be in licensed care? Clarifying the objective will greatly improve our ability to figure out where we are, what we must do to get where we want, and what it will be like once we get there.

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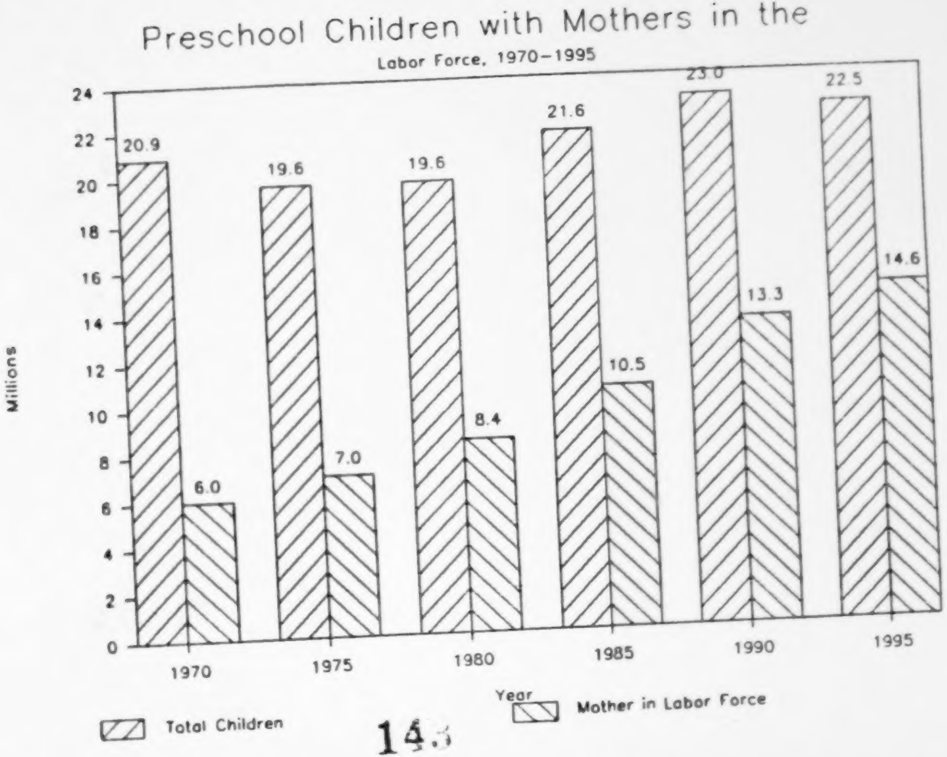
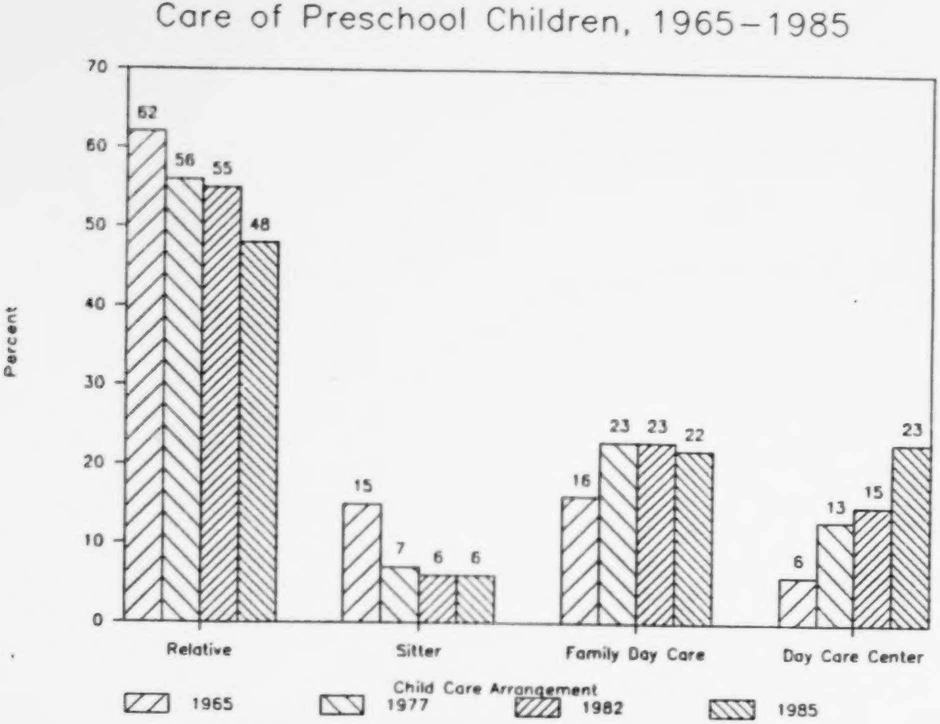
FIGURE 1



Preschool Children with Mothers in the Labor Force, 1970–1995

FIGURE 2



Care of Preschool Children, 1965–1985

Table A

Number of Children Total and Number with Employed Mothers, by Age, July 1, 1987, in 000

Age of Child	Total	Proportion with Employed Mothers		Number with Employed Mothers	Number with Non-employed Mothers
0-2	11,024	.470		5,181	5,843
3-5	10,879	.560	-.515	6,092	4,787
6-12	23,946	.626		14,990	8,956
Total	45,849			26,263	19,586

Table B

Number of Families and Households by Age of Youngest Child, March 1987, in 000

Age of Youngest Child	No. Families	No. Households (estimated)
0-2	8,742	9,126
3-5	5,932	6,422
6-12	10,148	10,816
Total w/youngest <13	24,822	26,364
All	64,491	89,479

Sources: Bureau of the Census, Current Population Reports, Series P-25, No. 1022 and P-20, No. 424; Bureau of Labor Statistics, News, 9/7/88.

Chairman **Hawkins**. I was trying to understand just what you were indicating with respect to what low income families are currently paying for reasonable quality child care. Was that dealt with among the statistics you mentioned?

Ms. **Hofferth**. How much low income families?

Chairman **Hawkins**. How much are low income families currently paying for child care?

Ms. **Hofferth**. They—I can't give you exact dollar figures. But, basically, it is more important to look at it in terms, I think, of proportion of their income.

Chairman **Hawkins**. Let's do that, then.

Ms. **Hofferth**. Right. I think that is the most critical. Poor families pay between 20 and 25 or 26 percent of their income on child care, and that is their whole family income. If you look at it just in terms of, say, even the mother's income, it is an even higher proportion. But it certainly is, it is much higher than any other—than, say, the middle income family. On average it is 10 percent. But, as I say, it varies very strictly with income such that high income families are paying, say, under 5 percent. Say of $50,000, they are paying maybe 1 or 2 percent of their income on child care. And they certainly are paying, I mean they could be—maybe they are sliding. They are paying, maybe, less than what they should be. About $15,000 a year, $15,000-$20,000, somewhere around there, they are starting to pay about 10 percent of their income. As it goes down below that, below $10,000, that is where you get to families paying about a quarter of their income, and that is comparable to housing, so it is a very high proportion.

Some of the statistics you see elsewhere are misleading because low income families do pay lower dollar amounts and they find care that doesn't cost as much, so they are not getting the same kind of care as high-income families, but that is a very high proportion of their income.

Chairman **Hawkins**. Mr. Tauke?

Mr. **Tauke**. Thank you very much. I have listened with great interest to all of the testimony from the witnesses, and I thank you for your interest in the issue, and also the enthusiasm that all of you bring to the table.

Let me first focus on an issue that I raised with the last witness. That is, this dilemma that we face in trying to figure out where we put our dollars. We don't have the $40 billion. We don't have $10 billion for child care. I suspect we would all concur in that at this time. So the question is where do we put the money? Do we serve a few people very well? Do we try to serve a larger number of people? How do we direct the resources in the best possible way?

Do any of you have observations that you care to share on that?

Ms. **Kagan**. I agree with the comments that Norton Grubb said. I do think that we have got a commitment, particularly when we are talking about low income youngsters, to focus on quality as opposed to quantity. On the other hand, that shouldn't prevent us from establishing some kind of creative mechanisms that will increase quality, innovative programs, demonstration efforts.

I would submit to you, however, that unless we address this hard salary issue, all of the money that we allocate for programs will not be able to be used because there will not be staffed to hire into the programs.

Mr. **Tauke**. I concur with what you said about salaries, but suppose we focus the attention on establishing the high quality centers. In my own district, I know we have a lot of high quality programs. Those programs, however, are not the places where I find the low income working parents putting their children. I mean, they are great for us, those of us who sit up here and others. Those are the programs that we use. And then you might have a select few who have somehow magically been picked from the masses of individuals who need assistance to have their children in the high quality program, but the struggling mother who has two children and $13,000 income, she is on her own, thank you, trying to figure out where to put her child.

Now I have a really tough time being totally candid with you saying to that mother, well, we are going to raise your taxes a few dollars over here so that your neighbor, who maybe meets five of the six criteria, and you only meet four of the six, so that your neighbor can have her child in a $3,500-a-year setting, while you have to go out and scramble to find some next door neighbor who will maybe take your kid for a cheap rate.

How do you respond to that? Which leads me to the conclusion that we are better off trying to put more money in the hands of people based on their income levels, and not that drive the development of quality. Any observations?

Ms. **Phillips**. I don't have any solutions for you, either, but just a couple of comments. One is that in addition to looking at the overall dollar amount that you are able to dedicate to this cause at this point, I think what you are hearing from all of us is that you have to look at a structure that you are putting in place, and, hopefully, down the road there will be more money put into it by somebody, whether it is you or the States, maybe a little bit from the private sector.

So it is important to look at how you structure what you are going to spend as well as just the overall spending, and what that entails right now, because you don't have $40 billion, is some tradeoffs and some compromise. I mean, you can't take any one answer. I would answer the same way if I had to pick one thing. But, fortunately, you are not picking just one thing, and you are, you know, experiencing that tension between giving a few children the very best and a lot of children something that is very mediocre.

Mr. **Tauke**. And I appreciate the dilemma, it is a tough question. But I am in part expressing my frustration.

The second thing that I want to address is the 48 percent of children now being cared for in the home by a parent. Would everybody concur that is the best of the settings? I mean, do we want to encourage that?

Ms. **Hofferth**. I should point out the trend. That the trend has been that proportion has been declining.

Mr. **Tauke**. Right.

Ms. **Hofferth**. And I assume that will continue to decline.

Mr. **Tauke**. I guess this gets to my question then. Let's say you have a 2-parent family. The husband works and has a $14,000-$15,000 income. The mother is making a choice, should I stay at home or I should I not stay at home. If I work, I can work at a day care center and make no money. Maybe I can make $8,000 of income. Okay? And then I put my child in a good child care setting and that is $3,000, and I don't really make much, and there is not much increase in the income of the family.

Now, if we say to that mother, we will take care of the slot for your child in the day care center, obviously, then we would make it possible for the family income overall to increase substantially, and, in essence, we are going to pay her to go to work. By giving the $3,000, we are paying her to go to work. If we gave her the $3,000 directly and said, You can stay at home and we will give you the $3,000 that we would otherwise give to the day care center, their family income would end up being higher, and she would be taking care of her own child.

As a matter of social policy, if we are going to put $3,000 into that family, are we better off putting it into the parent who stays at home, mother or father, or are we better off putting it into a day care center for the child of that family? Anybody have a response to that one?

Ms. Kagan. I think we are better off creating a system that gives parents choice. So that that mother would have the opportunity to choose whether or not she wanted to stay home and nurture her own youngster or to go into the workforce.

Mr. Tauke. But that isn't the question I asked you. Okay, let's say she had the choice. Suppose we set up a system where she has the choice. She can take the $3,000 and either use it to finance her family so she can stay at home or use it for the day care center. Is that something we want to do? Or do we want to set up a system where we say we will give you $3,000 if you put your child in the day care center but otherwise we won't? You would favor the choice, where she would be able to make the choice of either.

Ms. Kagan. I favor choice, personally.

Chairman Hawkins. Okay.

Ms. Phillips. Let me just make one comment about that. I don't know anybody who is talking about giving families $3,000. I know somebody who is taking about giving them $1,000. And there is a big difference there.

Mr. Tauke. Well, I understand that. I was just using that figuratively speaking. But the problem is, and that gets back to the earlier question. Nobody is talking about giving everybody slots in day care centers, either. In all these cases we are making choices, and we talk about the ideal but we deal with something a lot less than that.

Well, I thank you. And if you have any brilliant ideas on this dilemma, pass them on.

Chairman Hawkins. Mr. Kildee?

Mr. Kildee. Thank you, Mr. Chairman. Just one question, just to fortify what we already have on the record.

How important is it that we establish Federal minimum standards for child care? I get many people protesting they don't want the Federal Government getting involved in that. And why aren't the States doing that? And what areas or facet of child care are in most critical need of standards? Any one of you may try to——

Ms. Phillips. Let me start, and then maybe Nancy could also talk about the question at a more local level.

There has been a lot of hoping that some of the States at the very bottom when you rank them in terms of licensing standards will improve, and that, in fact, you know, if you look at the median of many of the States, it is really not looking so horrible. A majority of States do have 1-to-4 ratios for infants, but there are some that are down there at the bottom and have sort of been there for a long time.

The reason is not that those States don't understand that better ratios would be better at this point. I don't think it is a problem of knowledge. I think it is a problem of economics. And, you know, I would really turn to Nancy to talk about the specific situation in Georgia, which is very low. Because it is cheaper to provide child care if you don't have very good standards.

My concern, of course, is not the financial cost, it is the cost to the children. And there the evidence is clear. You really, I think, are in some cases compromising the development of children when you have low standards.

Let me say that the picture that we are getting from having been in five States now looks like this. You can find absolutely wonderful child care everywhere—we are looking at center-based case—regardless of the licensing standards. Because there are some people who are committed to providing fabulous care no matter where they are. What seems to differ is what happens at the bottom of the range, and sort of what are you allowing to be that floor of quality below which you do not want programs to slip.

Some programs no matter how hard they try to even meet the licensing standards do provide worse care. We have directors in Atlanta reporting 1-to-9 ratios for infants. We haven't seen anything like that in any of the other States. So you are sort of picking up the very bottom of the market.

Just quickly, to answer your final point, I would reiterate what Norton Grubb already mentioned. The critical components are ratios, group size, and training.

Mr. Kildee. May I ask you this? Some States do have good standards but they don't have good enforcement. What can we do to encourage them to enforce the standards? Should the Federal Government—in any bill here should we provide some financial assistance or some type of incentives to have them enforce the standards?

Ms. Phillips. Oh, definitely.

Mr. Kildee. How do you find enforcement in certain States? Is it checkered?

Ms. Travis. I will speak to that since I seem to be representing the bottom of the barrel today, and it is not really that bad. But, in the first place, I really do think that we need to have some Federal standards and establish that as an economic issue. People who are operating centers say, well, we would like you have, you know, a lot better child-staff ratios, but if we had that then the parents that we are serving would not be able to afford us, and, you know, you would have all of these things. And there is some truth to that.

But I think, you know, also we have an interesting kind of a market in Atlanta. Because we have low standards, we are very dominated by the for-profit group. And, you know, I am not against the for-profit group being a part of the system. I think they need to be and there are some of them that do a very good job. But in trying to get change within the State, you know, you run into terrific obstacles. I mean, they are just not even going to listen to it.

One of our strategies has been to try and to work with groups to get more nonprofit child care, so that there are more options. But, you know, we have very few. You know, it just seems to be the way it has developed. We had the one because we had low standards, and now we have low standards because we have that group dominating the market, and it is kind of a vicious circle.

In terms of enforcement, you know, I think that is an area that we need to work on. Seems that the funding for licensing gets less and less. Our State has just now made another decision that they just don't have staff. They are not going to do the 10 percent monitoring on family day care. They are only going to go on complaint. I think that one of the things that would really help would be, you know, looking at the whole system and not just doing day care centers.

Ms. KAGAN. I would just like to add that it is not only the existence of standards and their enforcement via monitoring and accountability mechanisms. The question of to whom those standards apply is critically important. In this Nation many, many children are in facilities that are exempt from licensure even though standards exist within the State.

Mr. KILDEE. Thank you very much. Thank you, Mr. Chairman.

Chairman HAWKINS. Mrs. Lowey?

Mrs. LOWEY. Thank you very much, Mr. Chairman. And I want to thank the panel for your understanding testimony. We all agree there should be affordable quality accessible child care, but it's very difficult to figure out who is going to pay for it.

Ms. Travis, you said in your testimony that a critical factor in quality of care is "the sensitivity, skill and commitment of the care-giver and her ability to respond to and respect the individual differences of the child." I think we all agree, and we all agree that the care-giver's salary is directly relevant to the quality of care. My question to you, now that I am on this side of the table, do you believe that these two bills do enough to raise the salaries of day care workers? What can we really do? What strategies would you recommend? We all agree this is the problem. I have been working with this problem for 10 years in New York State, and the salaries are still between $7,500 and $15,000 a year.

Specifically, given the budget crisis today, given the fact that I do believe the President wants a gentler kind of society, what specifically can we do in the bill to encourage raising salaries and to really implement such changes?

Ms. TRAVIS. If I had the answer to that I would be in good shape, and so would everyone else. But because it really, you know, there isn't an easy answer to it. I do think that having some of the child care in the public schools will make some difference because they will have to do those schedules. I think having some of it in Head Start could help that.

But I think we also need to do more. Sandra pointed out that some people could pay more for child care. When you have a referral line you hear a lot of things, and we hear some pretty unreasonable requests from parents, and they are insulted if they would have to pay $100 a week for care from seven in the morning till seven at night with the flexibility to keep the child overnight, and all kinds of things. So I think we have to do more ourselves in looking at what this child care is worth.

We have been all very interested in more opportunities for women, but I am shocked sometimes that the very people that are promoting those that have no conscience about imposing on their sisters to take care of their children for very low wages. So.

Ms. **Phillips**. I just want to add one thing to that, which is really supporting what Lynn Kagan was saying about the comparable pay kind of provision. Regardless of how you structure a bill, whether it is by three titles or one title, we do have a very mixed system now, and the schools are a player and the churches are a player and the YMCAs are a player and family day care providers. It would really be tremendous if we could look across systems and base salaries on the skill and the backgrounds of the providers regardless of where they are, and it would solve this real crisis that we are having where we have staff drained from the centers in particular into the school-based kinds of programs.

There are some models to begin looking at, and some States are attempting to work on this issue of salaries. Massachusetts has gone a long way toward dedicating State monies toward improving care-giver salaries and have found that they have at the same time had to pay attention to affordability issues. They are intimately linked. And I, you know, would be happy to talk to you further about that, those kinds of experiments that are being attempted in some of the States to address this issue.

Ms. **Kagan**. I would like to respond, if I may, because I think your question was at the core of the problem that our profession is facing. Two specific recommendations.

Number one, bringing people into the profession has been a big problem like it is in education, but in child care we are even feeling it more so. Consequently, anything that we can do to magnetize individuals into training would help dramatically. Loan forgiveness programs have been provided in education. We should consider that in child care. Making it easy for people to receive training in early education would be helpful. Many women need supports, transportation and child care, to even get into training programs. So strategy one is to think about the induction end and provide support there.

The second strategy, and this is a problem with our profession, quite frankly. We are not 100 percent clear on how most effectively to staff programs for young children. We are not sure whether we really want certified teachers with teacher aides and how much training those teacher aides should have. We are not quite certain what the role of CDA is in this whole broad picture. Some attention needs to be handled in this country to developing an array of staffing options, and then to costing those staffing options out so that we can pay people on a differentiated staffing basis according to what their education and experience merits. To date, it is just kind of a jumbled mess.

Mrs. **Lowey**. Dr. Kagan, a second question. You talked about corporate involvement. I was pursuing this before, and it is clear there isn't enough of it. And yet I believe where there is good, active corporate involvement, we have seen some very good on-site child care. My question to you is, I wonder if you believe that the incentives for corporate involvement in H.R. 3 are adequate or do you believe that we should go further, and do you again have specific suggestions?

Ms. KAGAN. I grappled with this question and I think it is a hard one. Are the incentives sufficient? H.R. 3 in Title III has got some wonderful incentives, and I particularly appreciate the emphasis on the Business Partnership Task Force also in H.R. 30, so that I encourage you to sustain that. I think your set asides are excellent. If it means putting more money into business incentives at the expense of providing direct services or enhancing the infrastructure, then I would say no. If the pool could be expanded, then I would say yes, let's increase the incentives.

I think they are important, but I think these partnerships are very seductive. They look as though they are going to do a great job, and, in fact, they do. But, as Norton pointed up, they also cause some inequity because they don't appeal across the board. They are, in fact, adding incentives and serving some of our more advantaged individuals in this Nation. So that we need to do them, we need to see them, we need to evaluate them, but we need not to put all of our hopes, nor a good, good, good percentage of our income into that strategy.

Perhaps my colleagues would respond to that differently.

Mrs. LOWEY. I just wonder, looking into the future, if you see the corporations having greater involvement? With the shortage of dollars and with everyone saying we are not going to raise taxes, it seems to me we are going to have to reach out and get the corporations more involved. Do you feel that there are any ways that these policies can get them more involved?

Ms. KAGAN. I think we need to take a look at the models that we have got out there, several that I have cited in testimony, and I would be happy to provide you with other examples, as lighthouse efforts that might beacon the way in this direction. I must say to you that I am not dramatically encouraged that these efforts are going to revolutionize or dramatically alter the supply or the quality situation that we have got in this country, so I would exact a guarded reservation on the amount of investment we would put into it.

Mrs. LOWEY. Thank you.

Chairman HAWKINS. Dr. Kagan, you seem to have suggested that coordination was needed, and you referred to H.R. 3. Dr. Grubb seemed to be grappling with the same problem but didn't come up with any particular idea You seem to be more optimistic than did he in terms of being able to accomplish that. Did I read that into your statement?

Ms. KAGAN. Mr. Chairman, you are exactly right. I am a bit more optimistic than Norton. Perhaps that optimism is innate and natural. I have been blessed to work with young children in my career. But I think in truth it is grounded in reality. I have had experience, and I feel very lucky to have had experience in the field implementing one of these collaboratives that I won't be presumptuous and say worked, but I think there were some things that nobody felt could be accomplished that, in fact, were. So that short of developing, I think Norton's idea of an individual or a single funding stream would be ideal if we were 50 years ago in our history. We are not. We are in 1989. We already have structures that include Head Start, that include a Title XX mechanism, that include an entire huge for-profit sector. Given the reality and given the existence of those complicated systems, I think we have to look and fund and provide incentives toward coordinating mechanisms.

They are hard. They are tough. They are not ideal. But short of restructuring the entire system, which, frankly, my analysis of policy, I have never seen that done in the history of American policy affecting children and families. I am not sure how we could do it. Do we take apart everything that we already have? I don't know.

Short of that response I think integrative mechanisms can work if they are, one, headed by a neutral party, if there is money to fund them, if they are accorded clout. I think there are conditions and we have had some experience to see that they can function.

Chairman HAWKINS. Thank you. I agree with you.

Without objection, the material contained in the article from Kappan, by Dr. Kagan, minus, of course, the illustrations which we can't duplicate, will be inserted in the record following her original presentation to the committee.

May I again thank the witnesses for very outstanding and very encouraging testimony. We certainly appreciate your presence before the committee.

That concludes the hearing.

[Whereupon, at 1:19 p.m., the committee was adjourned, to reconvene subject to the call of the chair.]

[Additional material submitted for the record follows.]

Family Research Council
of America, Inc.

TESTIMONY OF GARY L. BAUER

Before the
House Education & Labor Committee

February 9, 1989

MR. CHAIRMAN, THERE IS A GROWING BODY OF RESEARCH DATA WHICH CONFIRMS WHAT FOLK WISDOM HAS ALWAYS TOLD US -- THAT TIME WITH PARENTS IS VITAL TO THE NORMAL, HEALTHY DEVELOPMENT OF YOUNG CHILDREN. RECENT STUDIES HAVE SHOWN THAT INFANTS RECEIVING PARENTAL CARE ARE MORE LIKELY TO DEVELOP STRONG, SECURE BONDS WITH THEIR PARENTS THAN ARE BABIES WHO SPEND MORE THAN 20 HOURS A WEEK IN A DAY CARE SETTING.

OTHER STUDIES HAVE SHOWN THAT YOUNG CHILDREN PRIMARILY CARED FOR BY THEIR PARENTS TEND TO BE LESS AGGRESSIVE, MORE PATIENT, BETTER BEHAVED, AND MORE SOCIALLY INTERACTIVE THAN OTHER CHILDREN.

AND A RECENT STUDY OF MIDDLE-CLASS THIRD-GRADERS IN DALLAS FOUND THAT CHILDREN WHO WERE EXCLUSIVELY OR PREDOMINANTLY CARED FOR BY A PARENT WERE MORE POPULAR, MORE CONFIDENT, MORE COOPERATIVE, AND BETTER STUDENTS THAN CHILDREN WHO HAD SPENT EXTENSIVE TIME IN DAY CARE.

WHILE SOME WOULD LIKE FOR US TO BELIEVE THAT THESE DISCREPANCIES CAN BE ELIMINATED BY INCREASING THE AVAILABILITY OF "HIGH QUALITY" DAY CARE, SEVERAL RECENT STUDIES SUGGEST OTHERWISE.

IN A STUDY OF CHILDREN IN AFFLUENT, INTACT FAMILIES, DR. PETER BARGLOW OF THE UNIVERSITY OF CHICAGO FOUND THAT EVEN INFANTS WHO WERE OFFERED STABLE, HIGH-QUALITY ONE-ON-ONE SUBSTITUTE CARE IN THEIR OWN HOMES DID NOT GENERALLY FARE AS WELL AS SIMILAR CHILDREN CARED FOR BY PARENTS. ACCORDING TO BARGLOW, MANY OF THE INFANTS IN SUBSTITUTE CARE WITHDREW FROM THEIR MOTHERS BECAUSE THEY VIEWED REPEATED SEPARATIONS AS REJECTION.

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MOREOVER, A RECENT STUDY OF CHILDREN WHO ATTENDED A HIGHLY REGARDED DAY CARE PROGRAM AT THE UNIVERSITY OF NORTH CAROLINA FOUND THAT THESE CHILDREN WERE MORE LIKELY TO HIT, PUSH, KICK, THREATEN, SWEAR AND ARGUE THAN OTHER CHILDREN.

WHILE THESE STUDIES UNDERSCORE THE IMPORTANCE OF PARENT-CHILD INTERACTION, THEY IN NO WAY SUGGEST THAT OUR SOCIETY SHOULD BE UNCONCERNED ABOUT THE QUALITY OF CARE OFFERED CHILDREN IN SUBSTITUTE CARE ARRANGEMENTS. NOR DO THEY SUGGEST THAT PUBLIC POLICYMAKERS SHOULD SHOW A LACK OF RESPECT OR COMPASSION FOR PARENTS WHO FIND THEMSELVES IN ECONOMIC SITUATIONS WHICH HINDER THEM FROM SPENDING AS MUCH TIME WITH THEIR CHILDREN AS THEY WOULD LIKE.

INDEED, THE GREATEST RESPECT PUBLIC POLICYMAKERS CAN SHOW SUCH PARENTS IS TO GIVE THEM AS MUCH LATITUDE AS POSSIBLE IN SELECTING SUBSTITUTE CARE ARRANGEMENTS. AND THE MOST COMPASSIONATE GOVERNMENT CHILD CARE POLICY IS ONE WHICH FACILITATES PARENT-CHILD INTERACTION. ACCORDINGLY, FEDERAL CHILD CARE POLICY SHOULD BE BASED ON THREE BASIC PRINCIPLES:

(1). THE BEST INTERESTS OF THE CHILD CARE PRINCIPLE. IT SHOULD GO WITHOUT SAYING THAT FEDERAL CHILD CARE POLICY SHOULD SEEK TO PROMOTE THE BEST INTERESTS OF CHILDREN. YET, SADLY, MANY PROPOSALS WHICH ARE DESIGNED TO HELP PARENTS RESOLVE TENSION BETWEEN WORK AND FAMILY PLACE A HIGHER PREMIUM ON ENABLING ADULTS TO WORK THAN ON ENCOURAGING THEM TO PARENT.

WHATEVER ONE MAKES OF THE GROWING BODY OF RESEARCH ON THE NEGATIVE EFFECTS OF GROUP CARE ON CHILDREN, ONLY A FOOL WOULD DENY THAT SIGNIFICANT AMOUNTS OF PARENT-CHILD INTERACTION ARE CENTRAL TO A CHILD'S HEALTHY DEVELOPMENT. ACCORDINGLY, THE BEST GAUGE FOR EVALUATING ANY CHILD CARE PROPOSAL IS THE DEGREE TO WHICH IT ENCOURAGES AND FACILITATES PARENT-CHILD INTERACTION.

(2) THE LEVEL PLAYING FIELD PRINCIPLE. GIVEN THE IMPORTANCE OF PARENT-CHILD INTERACTION, IT STANDS TO REASON THAT FEDERAL POLICY SHOULD IN NO WAY PENALIZE PARENTS THAT CARE FOR THEIR OWN CHILDREN. YET, PERVERSELY, THIS IS PRECISELY WHAT THE CURRENT CHILD CARE TAX CREDIT AND A NUMBER OF DAY CARE PROPOSALS DO. UNDER THESE PROGRAMS, FAMILIES ARE DENIED FEDERAL BENEFITS (WHETHER IT BE THROUGH INCOME TAX DEDUCTIONS OR THROUGH GOVERNMENT SPENDING PROGRAMS) UNLESS THEY PLACE THEIR CHILDREN IN THE CARE OF A NON-FAMILY MEMBER. IN ESSENCE, THE TAXES PAID BY FAMILIES THAT CARE FOR THEIR OWN CHILDREN SUBSIDIZE THE DAY CARE EXPENSES OF OTHER, OFTEN WEALTHIER, FAMILIES.

PART OF THE REASON FOR THIS DISCRIMINATION IS THE GROWING PERCEPTION THAT MOST PRESCHOOL CHILDREN IN AMERICA TODAY ARE PRIMARILY CARED FOR BY A NON-FAMILY MEMBER -- A PERCEPTION WHICH IS PATENTLY UNTRUE.

ACCORDING TO THE MOST RECENT SURVEY OF CHILD CARE ARRANGEMENTS BY THE CENSUS BUREAU, 54 PERCENT OF THE NEARLY 18 MILLION CHILDREN UNDER THE AGE OF FIVE ARE PRIMARILY CARED FOR BY A MOTHER WHO STAYS HOME WITH HER CHILDREN. IN ADDITION, SEVEN PERCENT HAVE "TAG-TEAM PARENTS" WHO WORK DIFFERENT SHIFTS AND SHARE CHILD-REARING RESPONSIBILITIES. AND FOUR PERCENT HAVE "DOUBLETIME MOTHERS" WHO CARE FOR THEIR CHILD WHILE THEY BABYSIT OTHER CHILDREN OR EARN INCOME IN SOME OTHER WAY.

THUS, THE PRIMARY CHILD CARE ARRANGEMENT FOR 65 PERCENT OF ALL PRESCHOOL CHILDREN IS CARE BY ONE OR BOTH PARENTS. WHEN THE 11 PERCENT PRIMARILY CARED FOR BY A GRANDMOTHER OR OTHER RELATIVES ARE ADDED IN, A WHOPPING THREE-FOURTHS OF ALL CHILDREN UNDER THE AGE OF FIVE ARE PRIMARILY CARED FOR BY ONE OR MORE FAMILY MEMBERS.

SIGNIFICANTLY, SURVEYS OF EMPLOYED PARENTS SHOW A STRONG PREFERENCE FOR PARENTAL CARE. IN A RECENT STUDY BY MARK CLEMENTS RESEARCH, INC. FOR *GLAMOUR* MAGAZINE, 84 PERCENT OF MOTHERS EMPLOYED FULL OR PART-TIME AGREED WITH THE STATEMENT, "IF I COULD AFFORD IT, I WOULD RATHER BE AT HOME WITH MY CHILDREN." AND ANOTHER RECENT SURVEY OF PARENTS UTILIZING SOME FORM OF SUBSTITUTE CARE ARRANGEMENT FOUND THAT THE GREATEST SOURCE OF PARENTAL FRUSTRATION ABOUT DAY CARE WAS *NOT* THE LACK OF QUALITY, AVAILABILITY, OR AFFORDABILITY. INSTEAD, THE GREATEST SOURCE OF FRUSTRATION ABOUT DAY CARE WAS THAT PARENTS FELT THEY WERE MISSING OUT ON SIGNIFICANT EVENTS IN THEIR CHILDREN'S LIVES.

GIVEN THE FACT THAT MANY PARENTS TODAY ARE CHOOSING TO CARE FOR THEIR OWN CHILDREN (OFTEN AT A CONSIDERABLE FINANCIAL SACRIFICE) AND THAT SOME PARENTS WHO CURRENTLY UTILIZE SUBSTITUTE CARE WOULD LIKE TO HAVE THE OPPORTUNITY TO SPEND MORE TIME WITH THEIR CHILDREN, FEDERAL POLICY SHOULD IN NO WAY PENALIZE (THROUGH HIGHER RELATIVE TAXES) FAMILIES THAT CARE FOR THEIR OWN CHILDREN. THUS, RATHER THAN FAVORING FAMILIES THAT DO NOT CARE FOR THEIR OWN CHILDREN OVER THOSE THAT DO, FEDERAL POLICY SHOULD OFFER FAMILIES A LEVEL PLAYING FIELD ON WHICH THEY CAN FREELY CHOOSE WHETHER OR NOT TO CARE FOR THEIR OWN CHILDREN.

(3) THE FREEDOM OF CHOICE PRINCIPLE. THE FREEDOM OF CHOICE STANDARD IS VERY SIMILAR TO THE LEVEL PLAYING FIELD STANDARD. JUST AS THERE SHOULD BE NO PENALTIES FOR CHOOSING TO CARE FOR ONE'S OWN CHILDREN, FAMILIES THAT CHOOSE TO UTILIZE SUBSTITUTE CARE SHOULD BE ABLE TO SELECT THEIR OWN CHILD CARE ARRANGEMENT FREE OF ANY GOVERNMENT INCENTIVES OR PENALTIES. IN OTHER WORDS, GOVERNMENT ASSISTANCE SHOULD NOT FAVOR FORMAL LICENSED DAY CARE PROGRAMS OVER INFORMAL UNLICENSED DAY CARE ARRANGEMENTS.

ACCORDINGLY, THE BEST WAY TO PROMOTE PARENTAL CHOICE IS BY OFFERING CHILD CARE BENEFITS DIRECTLY TO PARENTS RATHER THAN EXTENDING ASSISTANCE TO DAY CARE PROVIDERS. THIS APPROACH ALLOWS PARENTS -- NOT GOVERNMENT BUREAUCRATS -- TO DETERMINE WHICH PROVIDERS ARE SUBSIDIZED AND, MORE IMPORTANTLY, HOW CHILDREN ARE CARED FOR.

SEVERAL LEGISLATIVE PROPOSALS FROM THE 100TH CONGRESS MET THESE THREE STANDARDS. UNIVERSAL TAX CREDIT BILLS OFFERED BY CONGRESSMAN CLYDE HOLLOWAY, SENATOR PETE DOMINICI, CONGRESSMAN DICK SCHULZE, AND SENATOR MALCOLM WALLOP ALL MET THESE STANDARDS FOR FEDERAL CHILD CARE POLICY. MOREOVER, THE $1,000 CHILD CARE TAX CREDIT OFFERED BY GEORGE BUSH IN THE PRESIDENTIAL CAMPAIGN LARGELY EMBRACED THESE PRINCIPLES. WHILE SOME OF THESE PROPOSALS COULD HAVE DONE MORE TO REDUCE THE TAX BURDEN ON AMERICA'S FAMILIES WITH CHILDREN, THESE TAX CREDIT PROPOSALS SHOULD SERVE AS THE MODEL FOR CHILD CARE POLICY IN THE 101ST CONGRESS.

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CHILD CARE

MONDAY, MARCH 6, 1989

House of Representatives,
Committee on Education and Labor,
Washington, DC.

The committee met, pursuant to notice, at 9:30 a.m., in Room 2175, Rayburn House Office Building, Hon. Augustus F. Hawkins [chairman] presiding.

Members present: Representatives Hawkins, Kildee, Williams, Unsoeld, Petri, Gunderson, Smith of Vermont, and Edwards of California.

Staff present: Susan McGuire, staff director; Carole Stringer, legislative analyst; Dick Johnson, general counsel; Gene Sofer, budget counsel; Gail Perry, legislative associate; Kris Moore, assistant to the general counsel; Andy Hartman, minority staff director; Carol Lamb-Behrer, minority professional staff member; and Susan Wilhelm, staff director, Subcommittee on Human Resources.

Chairman Hawkins. The committee on Education on Labor will come to order. This is the second hearing in this session of Congress on child care, an issue of the greatest importance to our nation's future.

This is a continuation of a series of full committee hearings on H.R. 3, H.R. 30 and related proposals, one of which will be presented this morning by Mr. Edwards. Congress has yet to receive their legislative proposal from the Bush administration, despite the great national interest in expanding child care and despite a board consensus that a significant Federal response is necessary.

Congressional efforts in this regard should not be delayed, as I have previously stated. H.R. 3 will be the vehicle for legislative action on child care in this committee. After thoroughly considering advice from members, suggestions from witnesses, and comments from relevant organizations, we will be developing a revised version of H.R. 3 during the next two months.

It is our plan to hold a final hearing in April and schedule a mark-up session on H.R. 3 in May. The distinguished witnesses before us this morning will share their knowledge as well as their experience with existing programs and services for children and discuss how we can build on these systems to meet the child care needs of families.

We look forward to hearing from them and their efforts to be here with us today are very much appreciated. As I have indicated, we have a series of bills in the committee. It is the intent to take the best from all of them and to combine them in an omnibus approach. For that reason, H.R. 3 is cited as a vehicle.

At this time, I would like to call on Mr. Kildee who, I think more than anyone else on this committee, has been a pioneer in this field and without his efforts we probably would not be considering these bills this morning.

Mr. Kildee.

Mr. **Kildee**. Thank you very much, Mr. Chairman. Mr. Chairman, as economic necessity forces increasing numbers of mothers into the work force, the need for quality child care emerges as one of the most serious problems of our day.

A child born in 1989 faces quite a different world than the world that I was born into, you were born into, or people born just 20 years ago. Today, slightly more than half of mothers with children under the age of six are in the work force.

By 1995, just six years from now, that number will have increased to two-thirds. Families face three barriers in obtaining quality child care: affordability, child care is very expensive; availability, very often it is difficult to find even poor child care because the slots just are not there; and third, quality.

To meet the needs of working families, each of these important issues must be addressed. I think that any bill, or bills, that the congress passes has to take affordability, availability and quality into account.

The Federal government, whether through direct appropriations or through the tax code, does not put money out on a stump and let people or states come and pick that money up and build highways any way they want to build them.

We set standards for highways. We certainly should set standards for child care. So I think as we examine these bills, Mr. Chairman, before this committee, and as we look at bills being offered by other people before other committees, namely and especially the Ways and Means Committee, we have to look at those three things; availability, affordability, and quality.

I think any bills or package of bills that fall short of those three basic components are not worthy of our attention or worthy of the Federal dollars they would spend replicating a system that has not worked.

We have many distinguished witnesses this morning who I look forward to hearing; Mr. Don Edwards from California, my dear friend and colleague. Although we have had some points of disagreement, his commitment to child care is one of the highest in the House. Our areas of disagreement have been disagreements of friends searching diligently for a solution. His contributions have been very positive.

I would like to also give a special welcome to Ms. Lauren Chom of the Flint Community Schools. Flint Community Schools have child care centers in my hometown of Flint, Michigan. I know that her testimony will be very helpful as we search for a way to put a child care bill before the full congress.

Thank you, Mr. Chairman.

Chairman **Hawkins**. Thank you, Mr. Kildee. Mr. Kildee's remarks really set the stage. I agree with him thoroughly on his remarks and forgive him for taking away from me the pleasure of introducing Mr. Don Edwards with all of his wonderful attributes. It is almost unnecessary, Don, but you and I have personally discussed this issue from time to time. I do want to commend you on the attitude and the approach that you take to this subject matter. I look forward to your testimony. Your statement in its entirety, of course, will be printed in the record. You may deal with it as you so desire.

STATEMENT OF THE HONORABLE DON EDWARDS (D-CA)

Mr. EDWARDS. Thank you very much, Mr. Chairman, and thanks to Mr. Kildee for his generous and eloquent statement. Joining you, Mr. Chairman, I don't disagree with a single word that Mr. Kildee said about the need, the requirements, and what a child care bill must have as its hallmark.

I believe the bill that I will describe today, which Mr. Sheuer of New York and I co-authored, meets those requirements very well. Certainly, all of you, Mr. Petri, deserve great commendation for leading this very important national effort. I believe that the day has come when we must have appropriate child care with Federal involvement.

First of all, Mr. Chairman, Mr. Scheuer's and my bill has about the same amount of money, $2.5 billion, as H.R. 3 and H.R. 30. It is similar to the chairman's bill in that it provides before and after school care through the sixth grade. A child development program is included for two-, three- and four-year-olds, and it provides for infant care for children under two.

The centerpiece, the big difference between my bill and the others, is that all services are provided the public schools. This bill also extends the school year to 240 days, and there is a requirement that the school day be all day long.

In sum, child care should not merely be custodial. It must be also educational. The public schools provide the best place to provide quality child care and education. I believe Dr. Zigler testified in support of school-based child care the other day, and I agree with much of what Dr. Zigler said.

School-based child care, Mr. Chairman, is not a new concept. It is an idea that works. It works in the 21st Century program in Independence, Missouri, which provides services from pregnancy through the 12th year. It works at the Hallmark Elementary School in Florida, an inner-city school that provides full services.

Perhaps the best example in my own experience is the Cory Elementary School in my home town of San Jose. It provides care from kindergarten to the sixth grade, from 6:30 in the morning to 6:00 or 7:00 at night. It provides real education. Teachers supervise study, homework, constructive playtime and rest periods. I might also add, Mr. Chairman, that there is intensive parental involvement in the program, too.

A working parent or parents can deliver the child on the way to work. The child receives quality care and instruction from licensed professionals in a safe location, a location inspected regularly for earthquake and fire safety as well as all the problems which we have with unsupervised locations. I might say, Mr. Chairman, that at the Cory School there is a long, long waiting list of people who want to enroll their children, whether free or paid.

Mr. Chairman, we are at the crossroads in education and child care. I respectfully suggest that the public school, locally directed with immense parental involvement and narrowly focused Federal funds, is the most American answer to the problem.

Thank you very much, Mr. Chairman.

[The prepared statement of Hon. Don Edwards follows:]

TESTIMONY OF DON EDWARDS
BEFORE THE EDUCATION AND LABOR COMMITTEE

THE CHILD CARE AND EDUCATION 2000 ACT

March 6, 1989

Mr. Chairman, it is a pleasure to be here this morning. I would like to thank you and the rest of the Committee for giving me the opportunity to testify. I would also like to thank you and Dale Kildee, a distinguished member of this panel, for the leadership you have provided on the issue of child care. Child care has finally become a national priority, largely because of your efforts.

As the committee members know, I recently introduced HR 1089, **The Child Care and Education 2000 Act** along with my colleague, James A. Scheuer. Like Mr. Kildee's Act for Better Child Care and the Chairman's Child Development and Education Act, my bill authorizes $2.5 billion to provide a federal program for the improvement of child care.

In fact, HR 1089 is similar to both of these bills in many respects. Like HR 3 and HR 30, the legislation targets young children needing quality care whose parents either work or participate in job training programs. The bill provides services free of charge to families below the poverty level and establishes a sliding fee scale for low income families. It creates much needed child care standards, too.

HR 1089 also provides services similar to those in the

Chairman's bill, including: before- and after- school care through sixth grade; child development programs for two, three and four year-olds, and infant care for children under two.

However, **The Child Care and Education 2000 Act** includes a very different method for delivering these services. Specifically, all child care services would be provided through the public schools. My proposal also goes beyond calling for school-based child care and initiates some much needed education reform by extending the school year to 240 days a year, effectively creating a year long session. This divergence in the delivery system is a profound change, and I hope my remarks will clarify my rationale for proposing this type of delivery system.

The federal government has been the missing partner when it comes to developing an effective child care and education program for young Americans. A majority of Americans and both parties agree the federal government must play a role in this important area. However, Congressional debate on the issue has focused almost solely on custodial care for our children. I am convinced we must move the debate beyond custodial care or even a combination of custodial care and some education activities. The child care question is an education question, pure and simple, and any federally supported child care must reflect this crucial fact.

No doubt my colleagues are aware of the reservations I have about the ABC legislation regarding the church/state question. Much of my concern centers on the deep belief I hold in the link between child care and education. The Constitution as well as our legislative history has frowned upon any federal support for education in religious institutions. By providing child care in the public schools, this sticky issue can be bypassed.

Federal involvement is also needed in educational reform. Our work force is inferior to those in countries with which we compete, largely due to the inadequacy of our educational system. It is no surprise that competitors who are surpassing America in the market place are also beating us in education. Our children cannot compete with their peers in other industrialized countries any more. Foreign students consistently do better in mathematics, science, history, and literature. These same countries also happen to have a large degree of financing and direction from the central government in the field of education. We need to follow their example.

It is not my thesis that we should alter our public education system in favor of more federal control. This alternative is not feasible because the public would not stand for it, because it probably would not work, and because I believe strongly that it is not necessary. However, we must stop short changing our children in child care and education.

This task can be accomplished through an expansion of that most American institution, the public school, still locally controlled and financed but with increased, narrowly focused federal funds. It is my belief that **The Child Care and Education 2000 Act** could be the vehicle to focus federal funds, advance the nation in education and at the same time solve some of the problems we have with child care.

The committee has already heard Dr. Zigler testify in support of school-based child care. I agree with much of what he says. Programs like the Perry pre-school program and Head Start have been successful because they focus on educating our youth. We need to develop similar programs on a wider scale for all young people, and public schools provide the best place to provide quality child care and education.

School based child care isn't a new concept. During World War II, many public schools operated federally funded child care facilities. There are many advantages of a public school setting for child care. I would like to touch on components of just three programs that have been proven effective to illustrate the type of child care and education program embodied in HR 1089.

The Cory Elementary School in San Jose, California which is in my district has established an excellent school based child care program. Students from kindergarten to sixth grade make use of before- and after- school care from 6:30 am to 6:00 pm. The program includes enrichment activities, teacher supervised study sessions to do homework, constructive play time as well as rest periods. Meals and snacks are also provided. In addition, the school offers child development centers for children who are three and four years of age. Both programs encourage intensive parental involvement.

Two other programs have similar services and other unique attributes. The 21st Century Program in Independence, Missouri provides services from early pregnancy through the twelfth year. It has established strict standards for staff/child ratios, group size, and care-giver's training.

Hallmark Elementary School in Escambia County School District in Florida is an inner-city school. It makes use of the services available throughout the school system such as counseling, special education resources, transportation, and food programs to meet the needs of its low income, at risk population.

Though these programs vary in structure, location, and the population they serve, they have many elements in common. Each is run by the local school district. They are all public school-based and provide services to accommodate working parents. Programs target lower-income families and working parents. Programs target lower-income families and children at risk, but costs to all families are inexpensive. Services are well rounded, include enrichment activities and free time as well as promote educational achievement.

In short, working parents are able to deliver their child to the neighborhood public school in the morning and pick him or her up after work, confident that the child has received quality instruction and been looked after by professional people in safe facilities. It is not hard to understand why parent satisfaction is so high in these programs and waiting lists are so long for each.

One major criticism of HR 1089 will be that it does not provide assistance for any of the community-based, church-based and family day care providers. These care givers provide a much needed service, and I encourage their development. However, the federal government has limited funds and they should be used in the most productive way possible, which means child care that focuses on education. These groups have not traditionally been looked upon as sources of education for our children, while the public schools have.

The 240-day school year component of my bill is equally important. America can't improve the quality of education without expanding the quantity of the instruction students receive. Year round schools make sense for today's world. The September-June session we rely on made sense when our economy was primarily agricultural. However, the demands of the economy are much more complex and our educational system must adapt to meet these new challenges.

Many industrialized countries like Japan and France rely on a 240-day school year. Their students spend more days in school, less time relearning material, and surpass our children in ability and achievement by wider and wider margins each year.

Opponents of year round schools argue that children use the summer months to "grow" through unscheduled free time. This is a desirable outcome, but one which can be achieved within the framework of an extended school year through programs that incorporate both activities.

We must prepare America's kids for the future by making sure they have the education they need to face the challenges of society. This change will only come about if we rethink the role of our public schools and improve the academic rigor required of our students. **The Child Care and Education 2000 Act** is a step in this direction, and I hope the committee will give it serious consideration.

Chairman **Hawkins**. Thank you, Mr. Edwards. May I ask you, and I believe I know some of the answer because you have discussed it heretofore with me, do you know if any local education agency would qualify today to receive funds under your proposal? In other words, do you have any actual model in mind in the drafting of your bill for a successful operation?

Mr. **Edwards**. The model school that I described, the Cory School in San Jose, is almost exactly what I would envisage for Federal involvement. It already is supported by desegregation funds. This money is a major reason that the Cory Public Elementary School is able to provide this kind of all day, all year round child care and education in the public school.

Chairman **Hawkins**. So it is actually in operation today and if we were to pass the proposal that you advocated, the program would be in a position to receive the funds under your proposal and would operate the year round.

Mr. **Edwards**. That is correct.

Chairman **Hawkins**. It is based upon an agreement. It would be part of an agreement for the receipt of the Federal money.

Mr. **Edwards**. That is correct.

Chairman **Hawkins**. Thank you. Mr. Petri?

Mr. **Petri**. I want to return the compliment and thank my colleague from California for his interest and testimony and for his legislation that has several ideas that perhaps the chairman did not think of. I think it is a contribution in this area, and I thank you very much.

Mr. **Edwards**. Thank you, Mr. Petri.

Chairman **Hawkins**. Mr. Kildee?

Mr. **Kildee**. Thank you, Mr. Chairman. Your program would provide child care through the public school system. We do know the system is already there and in place. I can understand some of the logic behind that.

However, what do you foresee happening to the child care that now exists in churches, that accounts for one-third of the child care that is available to people today? What do you foresee happening to church-sponsored child care given that your bill only helps those child care programs existing in public schools?

Mr. **Edwards**. Mr. Kildee, I am in strong support of the existing child care programs, many of which are in the churches. I think that we ought to support them in every possible way, but the Federal funds, which are limited for a number of reasons, should go to the public schools. I might say that my bill avoids the very difficult church state problem which has been such a thorn in our side.

Mr. **Kildee**. It may avoid it, but it also, to my mind, does not recognize the fact that we have a system out there that is taking care of a great part of the need. What would happen to that child care provided by the churches if your proposal were to be implemented? Would they financially be able to provide and even compete with the child care being provided through the public school system?

Mr. **Edwards**. Well, we have a public and private school combination in our country that enriches our nation. I see no reason why the existing child care facilities throughout the country could not operate as they are today. This is just an addition, the public school concept, to the existing system which is very good.

Mr. KILDEE. When we have a serious social problem in this country, we try to accommodate as much as possible the various institutions that have been involved in the solution of that social problem. A case in point would be the homeless. We worked very hard and had great difficulties trying to address the problems of the church state issue in the homeless bill.

I recall that Congressman Barney Frank of the state of Massachusetts came forth with, I thought, a reasonable solution saying this problem is so enormous that we have to try to seek accommodation for those institutions that are already involved in this. He came forth with a very reasonable accommodation that involved churches.

They can receive some financial assistance in addressing this problem. I would think that the problems surrounding the issue of child care are also so enormous that we should not ask child care to bear a greater burden in this church state situation than we ask other programs to bear.

The language which I worked on last year really fits into all existing statutes, indeed fits into the Civil Rights Restoration Act, all the accommodations that we make in that bill one can find a precedent for in other programs.

I guess the problem I have is in asking child care to bear a heavier burden than other programs. Accommodations are made even in the Civil Rights Restoration Act. Why should child care bear a heavier burden?

Mr. EDWARDS. Mr. Kildee, I think the principle is larger than what you describe. The problem in our country is twofold; child care and education. The countries that are beating us in education start educating children at two and three years of age. Their systems include child care too, I refer to France as one in particular that I have looked at.

It seems to me that the child care which you describe is merely custodial. The moment that you get into education plus child care, then the church and state matter gets very sensitive.

I see no reason at all why the present system cannot continue with the kind of financing it has. We ought to encourage that. I should think it would add luster to have another system, too, one in the public schools. It is something that works and works very well.

Mr. KILDEE. Again we tried, although I will admit that we had a setback in chapter one, compensatory education, where we recognized there was a need for compensatory education for kids who were socially and economically deprived. We had programs within the non-public school building. The Supreme Court by, I think, one vote set that aside.

We are still making accommodations. We have a section in the bill now where we allow the public schools to have a mobile building at the non-public school site to provide some assistance because you recognize that there is such a great need for compensatory education that we eagerly seek some type of accommodation for the non-public school system.

I think that we should try at least to find some way if possible, and I thought I had a way last year, to find some accommodations because, after all, we are serving kids. If we can find a way that is constitutional and good public policy too, we should try to pursue that; that we should really acknowledge that we have children in this country and that children have needs.

Just as we had homeless in this country and homeless had needs, let us try assiduously to find some way that we can accommodate these needs within the constitutional strictures imposed upon us by the court.

That is what we have been struggling with for quite some time. Your bill avoids that entirely by having all the money go into the public school system. My bill was a combination of agencies, private and public, religious and secular.

When I did that, I did try to find precedent so that we would not be creating any new law on the basis that I did not want to impose, as I said before, a heavier burden on child care than placed on other programs.

Mr. **Edwards**. Mr. Kildee, I have immense respect for the work you have done and for the excellent bill that you have written. I guess that I am more revolutionary than you. I believe that education in our country must take a giant step and child care is just a part of the giant step.

I think we have come to the crossroads in education in this country. We better do something about it. My bill would be a modest step in the right direction; education and public school-based child care at the same time. It is just a different concept.

Mr. **Kildee**. I look forward to working with you because I know you come to this with totally sincere motivation and with a great deal of knowledge, too. I really, genuinely look forward to working with you as we did last year. We had some great discussions last year.

Mr. **Edwards**. Thank you very much.

Chairman **Hawkins**. Mr. Williams?

Mr. **Williams**. Thank you, Mr. Chairman. Mr. Edwards, nice to see you here today. I think all of us want you to know that we appreciate your thoughtfulness and concern and leadership on this important issue.

You are correct; America is at a crossroads, perhaps a threshold of a new education system for children in their earliest years. The import of these days should not be lost on any Americans, for this country is about to establish a new system of education for infants, toddlers, and children up to the age of six.

We stand in the place of the first Americans who set up a system for children after the age of six. What would we think now, looking back at those people, if they had decided that that system was not to be public, but rather a network, a quilt of public/private education all paid for by the taxpayers?

That is where we stand. That is the decision that we have to make. For Mr. Edward's part, as I understand it, Don, you come down on the side of saying the public should continue to do the public's business when it comes to education and the young children should be treated the same way that they will after reaching the age of six.

That is, if their parents want them to attend a private school, and let's not refer to this as custodial care because we all understand it is education—whether it is an infant, toddler, or someone in K-5, it is education. So, Mr. Edwards would say that if parents want, if I might put words in your mouth, Don, to send their infant or toddler or young child up to the age of six to a private school, so be it. Let them do it and let them pay for it as they do now.

However, if they want to send them to a public school, K-1 through K-5, then the taxpayer will pay. He also, as I understand it from reading his legislation and talking with him on numerous occasions, believes as some of us, although a minority if one counted the vote in this committee last year, that it is unconstitutional for the Federal government to pay to have religious education delivered to the children.

Do I have it right, Mr. Edwards, believing those things, and that this bill is the result?

Mr. EDWARDS. Yes, Mr. Williams, you have it exactly right except my bill would provide this care all year round. The school year would be extended to 240 days a year, which would allow for a 21-day vacation plus weekends and holidays.

Mr. WILLIAMS. Why do you prefer a year round school system? You require it for children of all ages; do you not?

Mr. EDWARDS. Yes.

Mr. WILLIAMS. Why do you prefer that, the 240 days?

Mr. EDWARDS. I have talked to children in my district, children of my adult constituents. I have many minorities in my district. It is the consensus now that this long three months vacation is a problem with them. They tell me they come back after doing nothing or holding some kind of a job off and on during the three months vacation, and it takes them a month or two to play catch-up.

I sincerely believe, Mr. Williams, that we have many millions of children—as a matter of fact I believe my testimony indicates that there are over seven million children in this country—who spend an important part of every day with no adult supervision whatsoever, influenced only by peer pressure, often wandering the streets maybe with a latch key in their pocket.

I think that my parents would not have allowed that. Yours would not have, Mr. Williams. The people who are running this country today in high positions—many of whom went to elegant, expensive, private schools—were supervised all the way through prep school, not five days a week, but seven days a week.

I think, again, we have come to the crossroads where we have to recognize that this neglect is getting us into terrible trouble. It is getting us into trouble with drugs, with crime and with many other serious problems. If you read the Washington Post Outlook section Sunday, you saw a shocking article about racism in public and private high schools in northern Virginia.

What does that mean? It means that their education and their families and their churches—somebody is failing them. Certainly, tolerance also has to be a part of education. Children must learn that we are a diverse society and we have to get along, otherwise we are going to fail.

Mr. WILLIAMS. Again, Mr. Edwards, we appreciate the introduction of your legislation because it does divide the dialogue in such a way as to make it clearer now. It does give us a genuine option to the legislation which was before us last year.

Having provided that option, you have indeed joined the dialogue and provided a great opportunity for this committee and for the American people to begin a serious discussion about public versus private early childhood education. We thank you for that commitment.

Mr. Edwards. Thank you, Mr. Williams.

Chairman Hawkins. Mr. Edwards, may the chair ask you whether or not under any circumstance you would agree that a religiously oriented institution could operate a child care program provided the constitutional objections could be removed, let us say, physically and otherwise so that it would be strictly devoid of any semblance of religion; in other words, almost using merely the physical facilities but divorcing it completely from any religious teaching?

Under that circumstance, can you conceive of an instance in which it would be possible to modify your bill in order to allow some of the presently operated child care centers to continue to operate while receiving Federal funds?

Mr. Edwards. Mr. Chairman, perhaps it is possible. It would be immensely difficult to craft such regulations. I think we have to remember, with all the respect that we have in the world, religious schools are an adjunct of a religious organization whose purpose in providing the education is to increase involvement and to teach religion.

So, it really is a difficult problem, Mr. Chairman. Without looking at the regulations, without looking at the laws that would protect the constitutional principle, I do not know the answer to it.

Chairman Hawkins. Thank you. Any further questions? [No response.]

If not, Don, we certainly appreciate your appearance before us.

Mr. Edwards. Thanks for your courtesy and thanks, Dale and Pat.

Chairman Hawkins. The next two witnesses will appear as a panel. They will be Mr. Gordon Ambach, Chief State School Officers; and Ms. Lauren Chom, Flint Community Schools Child Care Centers. I believe the latter witness, Mr. Kildee, is from your district.

Mr. Kildee. Yes, I am pleased that Ms. Lauren Chom is here this morning. She certainly has a good deal of expertise and has been very helpful to me in understanding the need for child care. She has been very deeply involved in it. We welcome her this morning.

Chairman Hawkins. Thank you, Dale. Let us hear from Mr. Ambach, the first witness slated. Again, Gordon, we appreciate your appearance before the committee. It is not the first time, but you have been very helpful and we certainly appreciate it and look forward to your testimony.

STATEMENTS OF GORDON AMBACH, CHIEF STATE SCHOOL OFFICERS; LAUREN CHOM, FLINT COMMUNITY SCHOOLS CHILD CARE CENTERS.

Mr. Ambach. Good morning, Mr. Chairman, Congressman Kildee and Congressman Williams, members of the staff. I am honored to have this opportunity to testify on proposed legislation on child care development and education with a particular focus, for me, on H.R. 3.

With your permission, Mr. Chairman, I would like to have my statement placed in the record. Rather than reading from it completely, I would rather summarize the major points.

Chairman HAWKINS. Without objection, so ordered.

Mr. AMBACH. Particularly, Mr. Chairman, I will be addressing the issue of the structure of the bill, and I hope addressing certain of the questions in anticipation of what was just exchanged between Congressman Edwards and Congressman Kildee and Williams, the very pivotal issues that have to be dealt with with respect to enacting new legislation that will very effectively realize the investment this nation should be making in early childhood education and care.

I am speaking on behalf of all the state superintendents and commissioners of education whom I represent in the council. I might note I am speaking from a personal experience of 20 years in New York State in leadership in that state education department where one of my major focuses was on early childhood education, having written the region's position statement on this subject in 1967, which called for universal pre-kindergarten in the State of New York by the year 1968 and '69, something which unfortunately has not yet been realized.

At any rate, it is from a very, very strong commitment to the need for increasing our investment in this area. I want especially to commend Chairman Hawkins and the co-sponsors of H.R. 3 for advancing this comprehensive bill which presents the major components of Federal support for education and care as complimentary and not as competing parts.

The bill offers a major advance toward establishing overall Federal policy for education and for children. As the Chairman has stated repeatedly, it is your expectation that there will be refinements on the separate components of this bill, but I would recommend especially that you maintain the framework of the bill and that action is taken simultaneously on all of the complimentary parts.

I have provided you with a copy of our council's brochure which states our commitment to early childhood education and family education, especially noting the importance of linking education and care and especially noting the importance of focusing public resources primarily on those children and families which are economically disadvantaged.

There have been eloquent statements this morning about the need for the investment. I do not need to repeat those here. We know that those who have been able to afford early childhood education and care in this country have been doing so for years and years and years.

The problem is that we have a very uneven start. Those who are less affluent or are poor simply have not had the opportunity for either early childhood education or care. It is a void that we must repair. I think your efforts are in that direction.

Now, there are really five major objectives which must be met in a significant piece of legislation. I summarize these starting on page 3 of the testimony.

The first one is that any bill should increase access to early childhood education and care and this one certainly does it. There are some who worry that the price tag is too much, but I would suggest that the challenge is so great and so well documented that this is hardly too much. It is not enough, but it is a very strong authorization to start.

The second objective must be to concentrate public funds on economically disadvantaged children and families and yet prevent the isolation of children in programs by income levels, at least to the extent possible.

I would note particularly that, of course, Chapter 1, or Title I here, which focuses on Head Start is directed toward children of poverty and then has a special provision for sliding-scale fees up to family incomes of $27,450.

Title II has similar provisions, if you will. I am generalizing, but the point is that the focus is primarily on the economically disadvantaged. There is a range.

In some there is a targeting of public funds on low income children, but there is an opportunity for some range of participation. I would point out that one of the most important features of Title II and linking care and education in the public schools is to enable that there can even be a broader distribution of participation by income if it is possible to provide a mixing of the funding of children under the H.R. 3 provisions with other public school funded programs which are increasing in numbers and which would thereby provide that we reduce the potential of income isolation for those children.

The third central point is that the legislation must promote connections among education and child care and other services. The very connection of Titles I, II, and III, of course, indicates that intention, the special provisions that are in Title I, which have to do with extending programs for Head Start so that they are, in fact, full working day and before and after school care. In Title II are the explicit ways in which this connection between education and care is accomplished.

Our council is concerned that the provisions of child care available for children to age 14 as in the ABC bill be authorized. We very strongly supported that. This may best be done through incorporation of aspects of ABC in Titles I and II or by revision of Title III.

The point is that gaps must not be left because of age splits on these different titles. I would be pleased to refer to this later if you have questions about it.

The fourth major objective has to do with encouraging and supporting multiple providers of early childhood education and care programs. I point out in the testimony that, in fact, in this nation the earlier developments in this area have essentially been in private or under private auspices.

It is of fairly recent time that the public schools have, in fact, been providing for pre-kindergarten or early childhood programs, but they are developing very rapidly. Head Start, of course, does have 20 percent of its youngsters in the public schools. Eighty percent are either in private auspices or in other public providers.

It is our position that there are and should continue to be multiple providers of early childhood education programs. The alternatives provide healthy competition at this level of education and a variety of approaches from which families may select. I might point out that our council has debated this issue substantially because it is an absolutely pivotal issue.

H.R. 3 addresses the objective in a particularly effective way, we believe. First it extends Head Start in Title I through 1994. An appropriation for H.R. 3 would not trigger until after the fiscal 1990 appropriation exceeds the fiscal 1989 appropriations in terms of service provided.

Those two factors and putting Head Start in this bill make a strong statement to the effect that Head Start is not only here to stay but it ought to be expanded and that no other funding for this purpose should occur until at least the levels of current service in Head Start are maintained.

Title I is primarily directed toward other than public school providers, but it is not exclusive. As we see it, including both Titles I and II in H.R. 3 enables a focus on provision of service in the private sector and non-public school sector through that title while the principal focus on expanding services in the public schools occurs in Title II. A simultaneous expansion of service in both of these sectors, if you will, is extremely important.

The fourth objective, to use Federal funds to stimulate funding partnerships with local, state and Federal sources. Federal support for H.R. 3 is both an important commitment of Federal funding for a national priority and also helps to set the direction for commitment of state and local resources to early childhood programs, especially with respect to Title II.

The incorporation of new funding for early childhood and care programs in the public schools will, without any doubt, stimulate an increase in local and state financing for this area. There is no explicit match requirement here, but it is my judgment that what will happen in the schools and in the state education funding streams is that the uses of state aid to schools and local tax levy funding for education will, in fact, be further directed and advanced toward the early childhood years and, in addition, for the linking care support.

So, you have an objective of increasing the leverage of local and state funding. I believe it is here in H.R. 3.

The fifth objective is to assure effective government administration of early childhood education and care programs with maximum funding directed to projects rather than administration.

I believe that the use of Titles I and II with the administrative structure already in place for the Head Start program and the administrative structure of the educational system, provides that with a minimum of administrative expenditure you can get a maximum of direction of funds to projects.

There is no need for creating new administrative machinery here at the local or at the state level. One can accomplish the objectives essentially by working through the structure that we have.

The sixth is to assure strong parent and family participation in provision of services. I point out that Title I has long had in Head Start these kinds of provisions. They are, of course, in Title III.

I would urge your consideration of looking at Title II with the intention of more explicit strengthening of the parent participation provisions. I think they are implicit, but they need to be strengthened explicitly.

The last comment has to do with the Title III program and the very direct connections of child care and of the education programs. As I said before, our council has very strongly supported the ABC bill. We supported it through the deliberations of this committee and we continue to support it because there is such a desperate need for an increase in full day and year round care not only for preschool children but for children who are in the later grades in school.

Title III provides services only for children under three years of age. We support the provisions there as far as they go. The sum of child care provisions in Titles I and II together with Title III does not add to ABC. I am not saying that just in dollar terms; I am saying that with respect to the authorization provisions.

We are concerned about potential voids in services of child care for children age 3 to 14. I do not think they are intentional. I think they can be repaired by way of certain adjustments that may be made, perhaps made by adjusting Title I and Title II and indeed also adjusting Title III too to make certain that the objective is met.

Therefore, I would conclude, Mr. Chairman and members of the committee, by way of repeating what I said about H.R. 3. It challenges and indeed it forces us to address the next stages of Federal action for child development care in a comprehensive way.

I would urge that above all you continue to keep it a comprehensive proposal and find simultaneous action on the new developments in both early childhood education and in child care.

Thank you once again for the privilege to be here. I would be pleased to respond to your questions.

[The prepared statement of Gordon Ambach follows:]

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CHARLIE G. WILLIAMS
South Carolina Superintendent
of Education

Executive Director
GORDON M. AMBACH

Testimony before the U.S. House of Representatives
Committee on Education and Labor

Statement of Gordon M. Ambach
Executive Director
Council of Chief State School Officers

Proposed Child Care, Development and Education Legislation
With Focus on H.R. 3

March 6, 1989
Room 2175 Rayburn House Office Building
Washington, D.C. 20515

Education
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COUNCIL OF CHIEF STATE SCHOOL OFFICERS
379 Hall of the States, 400 North Capitol Street, N.W., Washington, D.C. 20001 • 202 393-8161

Mr. Chairman and Members of the Committee:

I am honored to have this opportunity to testify on proposed legislation on child care, development, and education, with a focus on H.R. 3. I speak on behalf of all the state superintendents and commissioners of education across the nation in commending Chairman Hawkins and members of the Committee who are leading the way toward a major and imperative federal investment in the care and education of our children.

I commend particularly Chairman Hawkins and the cosponsors of H.R. 3 for advancing this comprehensive bill which presents the major components of federal support for education and care as complementary rather than competing. The bill offers a major advance toward establishing overall federal policy for children. As the Chairman stated on January 3, 1989, there is an expectation for revision and improvement of the separate Titles of the bill. We will recommend some, particularly with relation to the ABC Bill which we support. I urge you, however, to maintain the comprehensive framework of H.R. 3 and to assure simultaneous action on the complementary parts.

During the past year the Council of Chief State School Officers has placed highest priority on promotion of and support for early childhood and family education. In November 1988, our Council unanimously approved the attached policy statement which calls for actions at local, state, and federal levels. The statement stresses the necessity of connecting early childhood education with child care and with other services to the child and family. Our statement calls for a major public commitment to fund early childhood education with highest priority for those who are economically disadvantaged.

The Council's commitment to this policy is based upon research findings and extensive experiences with local, state, and federally supported programs which provide abundant examples of proven practices.

For decades families with the means to afford education and care of young children have been doing so. Unfortunately, poor families have not been able to provide such services; and yet, their children are in great need of this stimulating and supportive environment for the earliest stages of learning.

The Federal Government has a lengthy and, in many ways, commendable record of initiatives in early childhood services. For example, projects promoting learning are well established through Head Start and the acts of education of handicapped children. A most recent initiative, enacted as part of the Hawkins-Stafford Act of 1988, is Even Start, which provides education of two generations--parent and child--simultaneously. The Federal Government has taken initiatives in early childhood health, child care, and social service programs.

Still, there is an extraordinary void of comprehensive service to many children and families in need. The challenge is to enact fresh and major steps which build on existent efforts; promote partnerships among levels of government; and, most effectively direct limited public resources to the most promising avenues for expanding access for those children and families choosing to take it.

H.R. 3 advances a comprehensive approach to the national imperative for early childhood education and care. The bill should be judged in its entirety as related to the following objectives for federal actions:

1. To increase access to early childhood education and care. The bill clearly provides such an increase with an aggregate authorization of $2.5 billion in the first year on top of a continued level of funding for Head Start at FY 1989 service levels.

2. To concentrate public funds on economically disadvantaged children and families and yet prevent the isolation of children in programs by income levels. Expansion of services under Head Start clearly directs public funding toward children of families at poverty levels. Additional provisions of Title I expand services to families with incomes below the Lower Living Standard Income Level (LLSIL) and the provision for sliding-scale fees to expand opportunities to families with income up to $27,450.

Title II focuses the school-based education programs on children in families with income under the LLSIL. Through the use of a sliding-fee schedule, children in families of incomes up to $27,450 could participate. Both Titles concentrate funds on low income families but provide for participation of a range of families by income levels, thereby reducing the potential for poverty-level income segregation. Both Titles I and II should provide that additional funding from local and state public sources or from family or private auspices could be used in conjunction with funds under Titles I and II to expand the range of family income levels for participants in any project. Through a variety of funding sources, public and private, for different children, income isolation can be overcome.

In sum, H.R. 3 targets public funds on low income children and offers significant provisions for a mix of income levels up to $27,450. We commend this emphasis and urge that the bill authorizes flexibility for additional opportunity for integration of children and families of different incomes using sources other than those under H.R. 3..

3. To promote connections among education, child care, and other services. The intention to connect early childhood education and child care services is explicit in joining the three Titles of H.R. 3 in one act. Provisions in both Titles I and II add to the recognition that expansion of the numbers of children in Head Start and school-based programs which tend to be half-day in duration must be accompanied by "full working day" and "throughout the year" services (Title I) and "before and after school care" (Title II). These are needed to assure young children have an appropriate environment--healthy, safe, and developmental--to accommodate the employment obligations of parents.

Our Council is concerned that the provisions of child care available for children to age 14, as in the ABC Bill, be authorized.

This may best be done through incorporation within Titles I and II of H.R. 3 or by revision of Title III. Gaps must not be left, however, and that is the reason for maintaining H.R. 3 as the comprehensive framework to incorporate both the care and education provisions.

4. To encourage and support multiple providers of early childhood education and care programs. Nursery schools and other prekindergarten and early childhood education programs in the United States have developed primarily under private auspices. Participation has been voluntary with public compulsory education laws starting no earlier than age 5 in any of the states. Head Start programs have been established in a variety of locations--community-based organizations, private facilities, both sectarian and nonsectarian, and in public schools. Approximately 20 percent of the enrollments for Head Start are in public schools. During the past two decades, State- and locally-funded pre-K programs in schools, especially for four-year-olds, have been increasing. There are and should continue to be multiple providers of early childhood eduction programs. The alternatives provide healthy competition at this level of education and a variety of approaches from which families may select.

H.R. 3 addresses this objective in a particularly effective way. Title I extends Head Start through 1994. Appropriations for H.R. 3 occur only after the appropriation for Head Start in FY 1990 exceeds that for FY 1989 service levels. Title I expands Head Start resources in recognition of the fact that a large gap exists between the number of eligible youngsters and those served.

Title I provides the primary but not exclusive means to expand services in the private sector and in public facilities other than schools. Title II provides the primary means for expansion of early childhood education programs in public schools but also expands service in the private schools and authorizes contracts with other public providers. This Title would be administered through state education agencies and local school districts through long-standing patterns that enable federal funds to be joined with local and state funds.

The inclusion of Titles I and II in H.R. 3 provides simultaneous expansion of service under both private and public auspices through established governance structures and authority. H.R. 3 provides a flexibility so that neither Title is limited to private or public providers nor limited to school or non-school providers. And, it requires new procedures for local and state coordination of services among the various providers.

4. To use federal funds to stimulate funding partnerships with local, state, and federal sources. Federal support under H.R. 3 for early childhood education and development provides both an important commitment of federal funding for a national priority and also helps

to set the direction for commitment of local and state resources to early childhood programs. Federal funds cannot provide these services alone. A major objective must be to connect federal funding with state and local resources and to assure that the specifications for using federal funds stimulate local and state commitment.

The proposed Title II will stimulate local and state public expenditure for early childhood programs. Although there is no explicit match requirement in Title II, states and local school districts will expand commitments of funds to be joined with Title II support in offering comprehensive pre-K programs toward the objective of having universal opportunity for four- and, perhaps, three-year-olds. Federal funding for Title II will probably not accommodate all eligible children at poverty levels or with incomes up to the LLSIL. Title II will stimulate local and state funding through school aid formulas and targeted education appropriations--the most likely revenue sources for expansion of early childhood education.

5. To assure effective government administration of early childhood education and care programs with maximum funding directed to projects rather than administration. The expanded use of Head Start with its established structure and the expanded use of the state and local education system, as provided in Title II, enables the most efficient and effective administrative arrangement for increasing the numbers of participating children and development of combined education and care services at the local level. This will enable a maximum of

federal funding to be used for direct service rather than administration. New state and local administrative machinery is not necessary. The statute establishes requirements for coordination and advice among local and state service agencies--education, social services, and child care. This is done without need for new local councils, governing boards, or other administrative organizations.

One major concern for effectiveness of operations is in the close integration of early childhood education programs with the kindergarten and early elementary grades. These connections are highlighted in provisions of Title II.

6. To assure strong parent and family participation in provision of services. Title I provides the same strong participation of parents as in the current Head Start program. Under Title II there is implication for parent and family participation in providing services because of the relationship with Title I of the Elementary and Secondary Education Act. We reccommend, however, that Title II be amended to include specific requirements for parent participation.

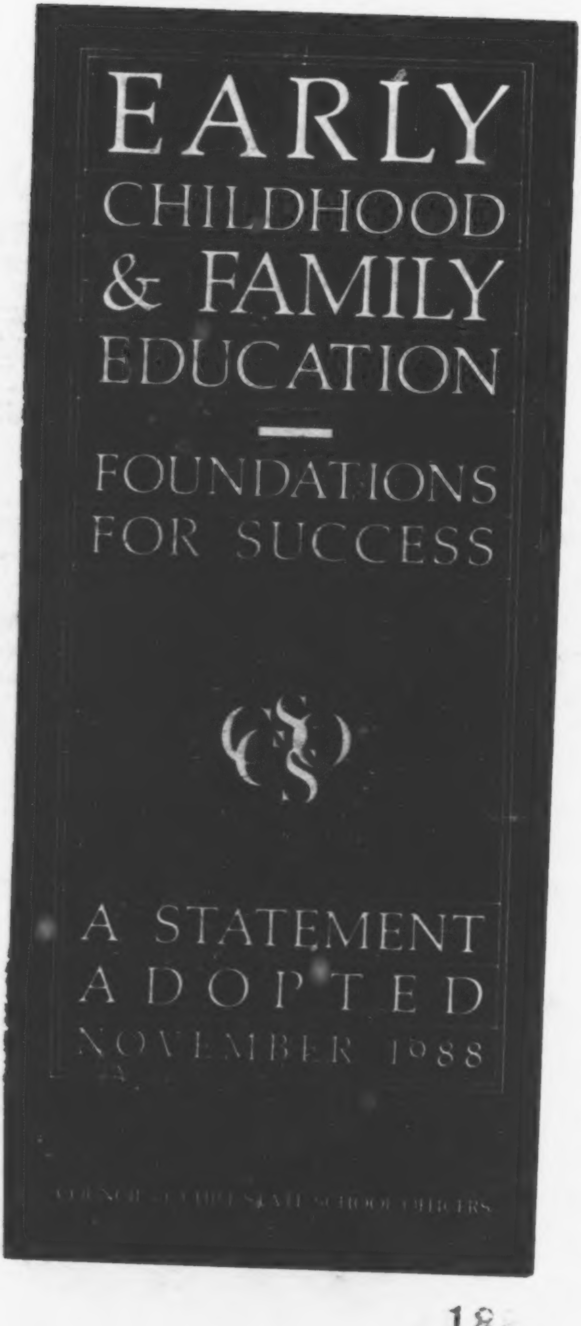
This presentation of objectives and comments on H.R. 3 with respect to these objectives have focused on Titles I and II and the early childhood education or development aspects of H.R. 3. A final comment is needed about the importance of relating proposed child care provisions, the provisions of Title III, and Titles I and II.

Our Council supports strongly A Better Child Care, the ABC Bill.

We supported it last year through the deliberations of this Committee and we continue to support it because there must be increased capacity for full-day and year-round care, not only for preschool children, but for children who are in the later grades of school. Title III provides services only for children under three years of age. We support the provisions of Title III as far as they go. However, the sum of child care provisions in Titles I and II together with Title III does not add to ABC. We are concerned about potential voids in services of child care for children age 3 to 14. We believe your intention is to assure the voids do not occur. We will be pleased to assist in rewriting the parts of H.R. 3 so there are not voids. We believe that approach is consistent with Chairman Hawkins' opening comment on January 3, 1989, introducing H.R. 3, as he made explicit reference to the development of the ABC Bill and the leadership of Subcommittee Chair Kildee.

In conclusion, I repeat our most important point: Please keep H.R. 3 a comprehensive bill with three Titles and the added section for Private Sector Initiatives in Child Care. H.R. 3 challenges and, indeed, forces all of us to address the next stages of federal action for child development and care in a comprehensive way, a way that will provide better policy for children. This is imperative for our nation. We commend your leadership and vision in striving for it.

Thank you, Mr. Chairman and Members of the Committee, for the privilege of addressing you. I am pleased to respond to any questions.



EARLY CHILDHOOD & FAMILY EDUCATION

FOUNDATIONS FOR SUCCESS

A STATEMENT
ADOPTED
NOVEMBER 1988

COUNCIL OF CHIEF STATE SCHOOL OFFICERS

The Council of Chief State School Officers (CCSSO) is a nationwide non-profit organization of the 57 public officials who head departments of public education in every state, the District of Columbia, the Department of Defense Dependent Schools, and five extra-state jurisdictions. CCSSO seeks its members' consensus on major education issues and expresses their views to civic and professional organizations, to federal agencies, to Congress, and to the public. Through its structure of standing and special committees, the Council responds to a broad range of concerns about education and provides leadership on major education issues.

Because the Council represents the chief education administrator, it has access to the educational and governmental establishment in each state and to the national influence that accompanies this unique position. CCSSO forms coalitions with many other education organizations and is able to provide leadership for a variety of policy concerns that affect elementary and secondary education. Thus, CCSSO members are able to act cooperatively on matters vital to the education of America's young people.

The CCSSO Resource Center on Educational Equity provides services designed to achieve equity in education for minorities, women and girls, and for disabled, limited English proficient, and low-income students. The Center is responsible for managing and staffing a variety of CCSSO leadership initiatives to provide better educational services to children and youth at risk to school success.

Council of Chief State School Officers

Verne A. Duncan (Oregon), President

Ted Sanders (Illinois), President-elect

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Early Childhood & Family Education

Call for Action

Our concern is for young children and what society must do to assist them in developing their infinite capacities. Our focus is on the partnership of family, health and other care givers, and educators who need to help each child develop those capacities. Our challenge is to assure the partnership is in place and prepared to nurture each child from the earliest moments of life.

This statement of our commitment as educators addresses our colleagues who teach; policymakers in localities, states, and the nation; those who provide education and other caring services; and leaders of community, business, and labor. It is a call to come together at a time of profoundly changed and changing family and societal patterns to create new ways of supporting families and assuring that each child's earliest years provide the foundation for a creative life.

The Imperative

There is no more essential or more sensitive challenge before us than to create new partnerships and shared responsibilities for the development of young children. No participant can be successful alone in this task, but each has obligations and opportunities. However, this statement focuses on the responsibilities of educators, beginning with the need to help the public understand why early childhood and family education should be strengthened.

Families are the first and most continuous teachers. In the past, children entered the formal education system when it was believed they were ready to leave the constant care of parents and were prepared for an expanded learning environment. During the child's earliest years, the parents' role and the attention of schools existed independent of each other.

The world of children has changed in many ways. The time available to families for nurturing their children has diminished dramatically. Economic pressures on families cause young children to be placed in other care giving environments much earlier. Further, much more is now known about patterns and periods of early learning and what stimulations and direction are most appropriate.

The dichotomy between nurturing and education has been blurred beyond distinction both because of the unprecedented societal changes affecting the very young and because we know good care for young children promotes learning and good learning experiences are caring and nurturing. We know families never cease being teachers; we also have learned that teachers must consider the total well-being of the children they teach.

Our values and institutions hold that each child should have the opportunity to develop to his or her fullest. That vision remains clear. However, that opportunity is imperiled. Our society must strengthen its commitments and change its services and institutions to address the realities facing our children and families.

These realities for the nearly four million infants born in 1988 are:

- Fifty percent will have mothers entering or re-entering the work force before their babies are one year old;
- Seventy percent will receive some or much of their care outside their homes by the time they are three years old;
- Twenty-five percent will begin their lives already at risk of personal and educational failure because of the poverty and stress in their families; and
- Those at risk economically will have less opportunity to participate in high-quality early childhood programs, thus widening the chasm between the disadvantaged and those more fortunate.

For all children, and especially for the many children in peril, support for both them and their families is essential. Providing this support would not only help individual families but also would be sound national policy because of:

- Inability of children to benefit fully from their education because of poor health or lack of family stability;
- Loss of individual potential when early interventions are not available to children at crucial points in their development or to their families when experiencing distress and dysfunction;
- Cost to society of remediation, special education, welfare services, adjudication, and rehabilitiation resulting from a lack of early interventions; and
- Loss of productivity to the work force by family members who cannot work because of the lack of proper child care arrangements.

This call to action is for direct, creative, and expanded assistance to young children and their families. They would benefit directly; we all would gain.

Principles

The strategies for our call to action are based on these principles:

- All children, regardless of race, ethnic background, home language, religion, family income, disability, or gender must have equal access to high-quality early childhood programs and services.
- All families must have access to assistance that will help them a) care for and educate their children; and b) develop the skills, knowledge, and attitudes essential for family functioning.
- Early childhood programs must assist each child to develop a full range of fundamental social, emotional, physical, and cognitive abilities.
- The developmental programs of the early childhood years must be extended into and integrated with education at the elementary school level.

- Resources and programs for young children and families must be coordinated to assure availability, effectiveness, and comprehensiveness.

Strategies for Change

Health, education, social, economic, and family policy goals must be one and the same for young children. The educational and developmental aspects of such integrated policy should include these strategies.

Universally Available High-Quality Early Childhood Services for All Children With Concentration of Public Resources on Early Childhood Programs for Children at Risk

The evidence demonstrates that high-quality early childhood programs are dramatically beneficial to young children. It is not as important where programs are available, either under public or private auspices, as their accessibility to the families which need them. Parts of a fabric of early childhood education programs already exist; those parts need to be woven together to reach all who need and want to be covered.

We know that children at risk who participate in high-quality early childhood programs will increase substantially their likelihood of success in school. Yet, while families with annual incomes above $20,000 enroll their children in preschool at a rate of 52 percent, the enrollment rate for families with annual incomes below $10,000 is only 29 percent. Our society cannot afford to deny any child the opportunity to participate in a program which will have long-lasting positive benefits, both for that child and for society.

In a fragmented way, public policy already directs that the available and limited public funding for early childhood programs be concentrated on special populations, such as through Head Start and programs to reach young handicapped children. These efforts need to be blended into an overall policy to help those families most in need.

In 1987, our Council adopted the position that all four year-old children at risk of later school failure should be guaranteed an opportunity for pre-kindergarten programs through public funding. Ideally, these programs would be available by the age of three. Pre-kindergarten programs should be accompanied by publicly supported child care to assure full-day attention where needed. The providers of pre-kindergarten programs may be multiple—public and private agencies—with the overall governance of public funds under the direction of the appropriate state and local education agencies.

Strengthening Capacities of Families

The family is the focal point in fostering and sustaining a child's positive growth and development. The family "curriculum" in the earliest years is more important than the school curriculum. However, increasing numbers of families need assistance in providing experiences which lead to positive development of children.

Developing attitudes, values, and expectations and learning to succeed in school are not separate entities for young children—they are pieces of the total nurturing and care they receive at home and away from home. The results of the best programs for young children are only in part increases in their cognitive skills. The stronger result is in the positive effects on their families. In the long run, this will have a greater impact on a child's life chances than higher school test scores. Many families need help in developing their capacities, including:

- Programs that reach new parents—particularly at the prenatal period through age two—to establish early, supportive partnerships to help their children;
- Support in fulfilling family roles at home, with appropriate strategies such as home-based programs for families of the very young and networking for families of older children;
- Assurances that the patterns and scheduling of formal schooling, once it begins, will be consonant with the

experiences that have benefitted their children in early childhood programs; and

- Sensitivity to the culture of the family, with full recognition of the desire and ability of families to help their children.

Assuring Standards of Quality For Early Childhood Programs

The positive effects of high quality programs for young children and their families are so strong and consistent as to be powerfully convincing. Public policy must incorporate the best of what we know about caring for and educating young children by requiring high standards of quality.

Children who view themselves as competent, worthwhile individuals are more likely to experience success in life than those who do not. Educators can help children feel worthwhile by providing supportive learning environments which build upon the individual child's strengths and by recognizing the different learning rates and styles of children. Because young children learn best through active manipulation of the environment, concrete experiences, and communicating with peers and adults, programs must be designed to emphasize these elements.

Basically, quality programs require:

- A child development approach that exemplifies what is known about how very young children learn in an environment uniquely fashioned to their needs for physical, emotional, social, and intellectual growth;
- Staff prepared for the special field of early childhood education and benefitting from networks and supervision that provide constant renewal;
- Adult-child ratios appropriate for the age and needs of the child and meeting standards established in the child development field;
- A length of program day and year and the provision of a continuous learning environment matched to family need; and
- Evaluations, both of programs and the progress of individual children, that are based on developmental goals and reflective of the uniqueness of early childhood education.

Where a child is educated or cared for in a formal arrangement outside the home, minimum standards of safety and program suitability must be required. Even more important, however, are standards of quality set through informed and bold public policy which will lead to success for all children.

Broad and Deep Collaboration for Comprehensive Services to Young Children and Families

Initiatives for interagency collaboration on early childhood programs exist in almost every state, either from the impetus of federal programs or state executive directive. States and localities should build upon those initiatives. Interagency and intergovernmental forums should be used to further attract attention and support of the public and policymakers, to establish clear goals and solutions for children's needs, to implement services jointly, and to provide continual evaluation of progress.

Families need more help than ever in connecting to multiple social services. While local, state, and federal resources are available, access to them often is difficult for those families most in need. By working with other resource providers, schools have a unique opportunity to help make these connections. Cooperation must be required in statutory provisions, and funds must be provided to assure it works.

Conclusion

Our nation critically needs to strengthen its public commitments to young children and families so that they may adjust to the demands and stresses of changed social and economic conditions.

The Council of Chief State School Officers made a commitment in 1987 to assure each student the full range of opportunities for successful graduation from high school. To fulfill that commitment, the Council called for the establishment of 11 state guarantees for at-risk children and youth, including provision of early childhood and parent education programs. The Council believes the single most important investment to be made in education is the provision of high-quality programs for the nation's youngest children, especially for those who are most at risk and for their families. This investment must be accompanied by strategies for strong standards of quality and the assurance of broad and deep collaboration among agencies at each governmental level and across levels.

Chief state school officers are ready, state by state, and nationwide, to join with families, colleagues, policymakers, and the public to implement these strategies. Our children will bring joy and pride to themselves, their families, and their country only to the extent to which we help them do so. For our society to neglect or shortchange their potential and their opportunity is intolerable. We must act together, now.

Chairman HAWKINS. Thank you. Ms. Chom, we will call on you first before we open up the questioning period.

Ms. CHOM. Good morning. Mr. Chairman, members of the committee, my name is Lauren Chom. I am representing the school district of Flint in Michigan, and I appreciate this opportunity to speak with you about the important issue of child care.

I am the staff assistant for child care in the Flint Community Schools and also president of the Child Care Director's Association in our county. As such, I am keenly aware of the things going on in child care and the role public school can play in child care. I am also keenly aware of the important network that is happening throughout our county in terms of child care and the important providers that have put together a network to provide that for all children.

The Flint Community Schools is a large urban district serving 28,000 students. We have a wide variety of early childhood education programs. Included in those early childhood education programs are Head Start programs that serve approximately 340 children, Chapter 1 pre-kindergarten programs that serve 450 children, and the new Readiness For Fours program that the State of Michigan recently allocated funds for in which the Flint Schools could tap into to serve 240 children.

All of those children are four-year-olds. Most of them are at risk, low income. They are currently being served by what we call our early childhood education department. The Flint Community Schools also operates a wide variety of child care programs through our community education department.

Comprehensive child care centers are offered to employees of the district, to adult high school students, and to the community. One of our child care centers serves 65 children, 2 1/2 to 12 years old. One of them serves 75 children, 12 months to 12 years old.

The adult high school child care center serves infants, toddlers, preschoolers and school-aged children for parents attending adult education classes. That program serves over 400 children each year, but only 60 at a given time.

We also have rapidly expanded our school-age program which now operates in seven school buildings and serves 150 different children 5 to 12 years old.

In 1982, we started our child care services with the adult high school program and the child care services have rapidly expanded each year since. We are now limited by space constraints and financial constraints. We have waiting lists in our child care services programs. There is a need for child care at every age, but we do not have the resources to expand our services. Federal assistance is needed.

Currently in our county through our Child Care Director's Association, through the 4C community coordinated child care services, and other community agencies, we are a wonderful network of early childhood professionals that have collaborative efforts to provide child care in our community.

The public schools are a part of this early childhood ecosystem that includes programs like Head Start, Chapter 1 pre-kindergarten, public and private day care, full- and part-day center-based programs, a range of home-based services, child care resource and referral agency.

This mixed system for delivery is providing services for children 2 weeks to 15 years. It is already in place as it is all over our nation.

On behalf of the Flint Community Schools and the Flint Community, I would like to share my concerns as we look at comprehensive child care legislation. First, I strongly support the interagency approach to delivery of child care services. The public schools can be a leader in implementing quality programs. Lots of programs fall naturally into the public school's realm. The degree and type of involvement should depend on the community need and the available resources. Nevertheless, it is important to recognize there is a wide variety of early childhood programs that are an option for parents to choose from. Federal subsidies should be available to parents for whatever option they choose.

Public schools need funding to expand Head Start, school-aged child care, preschool and infant programs and other services; so do many other community agencies. Without organized allocation of resources for all of these programs, fragmentation is sure to occur. Confusion is sure to occur. Lack of coordination is sure to occur.

Second, Federal standards that set minimum guidelines for quality are necessary and desirable. From a public school standpoint, I support the idea that all programs are licensed.

All of the early childhood education programs in the Flint Schools are licensed by the State of Michigan. We have had to upgrade buildings. We have had to change some programs, but it has been for the better of our programs and for our children.

Young children have different needs than older children. So those guidelines are necessary as we put together different programs for that age group. All programs across the board, public, private, school-based, home-based, should be subject to a set of minimum guidelines.

No one should be allowed to care for ten toddlers by themselves. No one should be allowed to have 45 children in one small room. Federal guidelines can help to establish this. It can ensure quality care for infants and toddlers, preschoolers, children in Head Start programs, children in church-based programs. It is important that we have Federal guidelines that will help provide quality care for all children.

Third, staff qualifications, staff training and salaries for child care providers have to be upgraded in order to ensure quality consistent programs. There are distinct differences in the area between early childhood education and child care services currently with staff salaries. This is demonstrated in our school district.

We have public funds to support Chapter 1 pre-kindergarten, Head Start and Readiness for Fours. Those teachers are paid very well comparable to K through 12 teachers. They have benefits. They have in-service training.

However, in our child care services portion of our program that is supported through parent fees, we do not have the money to provide the kind of salaries that Head Start has. They have to take a low wage. They have no in-service training. They have no benefits.

Those care givers need the same kinds of skills as the skills in the Head Start program. We cannot afford to pay them. So, every day they flock to other programs, the Federally funded programs. These care givers leave the child care services programs and go to the Federally funded programs where they can get paid a decent wage.

Those programs who receive subsidy can require higher qualifications because they can pay the staff more. Our staff cannot ask to have a four-year degree if they are paid a low wage.

Federal assistance is absolutely necessary to upgrade staff pay in training. Parents cannot afford to pay the increased fees. Public schools cannot afford to provide monies for child care in early childhood education; not to expand, not to give higher wages.

Without Federal money for all early childhood programs, we will continue to struggle with substandard care in child care services. Child care professionals have to be compensated and trained for the important task that they are doing in this country.

Fourth, there is a crisis in this county, our county no doubt, and probably all over the country for parents who cannot afford quality care. Title XX funds are not adequate enough nor is the system the funds are delivered through.

The AFDC Income Disregard Policy is not adequate enough nor is the system it is delivered through. Every day there are low income parents who are turned away from child care centers because they cannot afford to pay for it.

Every day there are child care providers who suffer because they are unable to collect the funds that are due to them from people who are low income and receiving child care assistance.

In our county, the procedures that are used are ineffective and there is simply not enough funding to go around. Federal help is needed to designate an efficient system that will ensure that financial assistance gets to service providers.

It needs to provide funds for all parents who need child care and simply cannot afford it, not for just parents of infants and toddlers but for parents who have 5-year-olds, 10-year-olds, whoever needs it.

If we provide financial assistance, we know that we will stop children from being placed in inadequate child care arrangements. It will allow children of any age equal access to quality programs and then we can allow parents to go to work or school if they cannot afford child care.

Finally, the division between early childhood education programs and child care programs is not acceptable any longer. If quality education is provided, child care is a part of it. If quality child care is provided, education is a part of it.

Federal money is needed to bridge the gaps in service that now occur. Flint's Head Start, Chapter 1 and Readiness for Four are examples of this. No child care is provided after traditional education hours. Part-time programs have to be expanded to offer programs that meet the needs of working parents.

Full-day and full-time programs as well as year round programs are needed. Without this, parents are forced to use a patchwork of services for their young children who surely need the consistency of insecurity of one, at the most two child care arrangements.

Support has to be given to all programs so that parents can make adequate arrangements for each of their children. Moving children from program to program, having different guidelines and regulations, is not acceptable.

The Flint Schools operate a variety of early childhood and education programs and child care programs. Still there are children unserved. There are parents unable to find or afford adequate child care. There are gaps in service.

Without Federal dollars to expand to upgrade and regulate early childhood programs, the Flint Schools will have difficulty solving these problems. The Flint community has difficulty solving the problems. Indeed, the entire country will have difficulty solving the problems.

Comprehensive child care legislation that addresses these problems for all children, for all parents and for all communities is needed. I express my appreciation on behalf of the Flint Schools and I commend your efforts in the area of child care. Your crucial decisions will shape the future of America.

[The prepared statement of Lauren Chom follows:]

Testimony on Behalf of

THE FLINT, MICHIGAN COMMUNITY SCHOOLS

on

CHILD CARE IN THE PUBLIC SCHOOLS

Before the

House Committee on Education and Labor
2175 Rayburn House Office Building

March 6, 1989

Presented by

Lauren M. Chom

Staff Assistant in Child Care--Flint Board of Education

Mr. Chairman, members of the House Committee on Education and Labor my name is Lauren Chom. I am representing the School District of the City of Flint, Michigan. I appreciate this opportunity to express my testimony about the extremely important issue of child care on behalf of the Flint Board of Education and the total Flint community.

I am the Staff Assistant for Child Care in the Flint Community Schools and am responsible for coordinating all Child Care Programs in the District. I am also President of the Child Care Directors' Association, a county wide organization for child care administrators. As Staff Assistant I am keenly aware of the role public schools can play in the early childhood education and child care field. As President of the Directors' Association I am also aware of the important network of child care providers that exist across our county and, no doubt, across our nation.

The Flint Community Schools is a large, urban district serving 28,200 students in five high schools, four middle schools and 33 elementary schools. A wide variety of compensatory education programs are included in the school system. These compensatory programs include several early childhood education programs. Head Start programs have been offered for 24 years and currently serve 342 low income or handicapped four year olds at nine locations. Chapter 1 Pre-Kindergarten programs serve 450 educationally deprived four year olds at thirteen locations. The State of Michigan recently allocated funds for a "Readiness for Fours'" program for at risk four year olds. The Flint Schools was able to tap into those funds this year and is now serving 240 at fifteen locations with this program.

The Flint Community Schools also operates a wide variety of child care programs through the Community Education Department. Comprehensive child care services are offered to employees of the district, to adult high school students and to the community. One child care center serves primarily employees and offers a program for 65 early preschoolers (2 1/2 yrs. - 3 1/2 yrs), preschoolers (3 1/2 yrs - 5 yrs) and school age children (5 yrs. - 12 yrs.). A similiar program for 75 children is offered at another center which serves employees and community parents, with the addition of a toddler program for children 12 mths - 2 1/2 yrs. The adult high school child care center includes infant, toddler, preschool and school age child care to parents attending adult education classes and serves approximately 400 children each year, but only 60 at a given time. A school age child care program operates in seven locations throughout the district, serving 150 children 5-12 years old.

Started in 1982 with the adult high school child care program, the child care services have expanded rapidly to incorporate new centers and additional children. Expansion of the programs has been limited only by space constraints and financial constraints. The need for child care for every age group is there. We have operated with waiting lists each year. Expansions are needed in all of our child care programs. We served approximately 700 children in 1988 and would like to serve more in 1989 given adequate financial resources, space and staff.

There are currently 140 licensed child care centers in our county and 377 licensed family day care providers. Through the existing Child Care Directors' Association, 4C and other community agencies a wonderful network of early childhood professionals have developed collaborative efforts to serve young children in this community. The public schools are a part of an early childhood ecosystem that includes programs like Head Start, Chapter 1 Pre-Kindergarten, public and private part-day and full day center based programs, a range of home based services, child care resource and referral agencies and more. This mixed system for providing services to children ages two weeks to fifteen years is already in place and surely reflects our nation's current system of educating and caring for young children.

On behalf of the Flint Community Schools and the Flint community, I would like to share my concerns and recommendations as comprehensive child care legislation is considered by this Committee:

1. Legislation needs to incorporate and support the wide variety of programs and services for young children currently being offered through collaborative efforts. This network is already in place in many locations and should not be fragmented.

2. Legislation needs to address the issue of quality child care and early childhood education for all ages of children and in all programs. Federally formulated minimum standards for quality are needed and desirable.

3. Legislation needs to address the issue of staff qualifications, staff training and salaries for child care providers for all ages of children and in all programs. Quality, reliable care is impossible without trained, compensated early childhood professionals.

4. Legislation must provide easily accessible help for parents in obtaining affordable child care for any age child. Currently, child care assistance programs for low income and moderate income families are in many ways ineffective or nonexistent.

5. Legislation needs to support the expansion of part time early childhood education programs to full day, full time programs. In order to meet the needs of todays' parents, programs for young children must not follow traditional "education" hours but instead "child care" hours.

First, I strongly support the interagency approach to delivery of child care services. The public schools can be a leader in implementing quality early childhood programs and many programs naturally fall into the public schools' realm. The degree and type of public school involvement should vary depending on community needs and available resources. Nevertheless, it is important to recognize that there are a wide variety of early childhood education and child care program options for parents to choose from. Federal subsidies should be available to parents for whatever option they choose. Public schools need funding to expand Head Start, school age child care, preschool and infant/toddler programs and other services for children. So do many community centers and agencies. Without organized allocation of resources for all programs, fragmentation, confusion and lack of coordination is sure to occur.

Second, Federal standards that will set minimum guidelines for quality are necessary and desirable. From a public school standpoint, I support the idea that all programs for young children need to be licensed and follow mandatory standards. All of the early childhood education and child care programs in the Flint Schools are licensed by the State of Michigan which has commendable licensing guidelines and procedures. Yes, we have had to upgrade some of our buildings and programs, but isn't that good? Young children have different needs than older children. All programs across the board--public, private, school based, home based, should be subject to a set of minimum guidelines. Federal guidelines will reduce the opportunity for discrepancies between states. No one should be allowed to have one adult with ten toddlers! No one should be allowed to have 45 children in one small room! Federal guidelines will help to provide quality care and insure the health and safety of young children throughout this nation.

Third, staff qualifications, staff training and salaries for child care providers must be upgraded in order to insure quality, consistent programs for young children. Unfortunately, there are distinct differences in this area between early childhood education programs that are federally or state funded and early childhood education and/or child care programs that are not. This is demonstrated in our school district. Because of public funds to support a quality program, Head Start, Chapter 1 and Readiness For 4's are able to pay staff comparable to teachers in the K-12 program and to offer benefits. Teachers have four year degrees. Inservice training is a regular part of the program. However, in our child care services program, which is supported only through parent fees (with the exception of the adult high school program). Staff are paid a low, hourly wage and are offered no benefits. Because of the poor wage, degrees can't be required although the skills and knowledge needed is the same as what is needed in the other early childhood education programs. There is not enough money to provide regular inservice training. This is typical in early childhood programs throughout the county. Those who receive subsidy can require higher qualifications because they can pay the staff more. They can also provide needed training.

Federal assistance is absolutely necessary to upgrade staff pay and training in early childhood programs. Parents cannot afford to pay increased fees for child care; public schools cannot afford to provide monies for child care and early childhood programs. Without federal money for all early childhood programs to upgrade staff salaries, training and qualifications, we will continue to struggle to avoid substandard care. Child care professionals must be compensated and trained for the important task they are accomplishing in this country.

Fourth, there is a crisis in this county and, no doubt, in this country for parents who cannot afford quality child care. Title XX funds are not adequate enough, nor is the system the funds are delivered through. The AFDC Income Disregard policy is not adequate enough, nor is the system it is delivered through. Every day there are low income parents who are turned away from child care centers because they cannot afford to pay for the services. Every day there are child care providers who suffer because they are unable to collect child care assistance monies that are available to them for the low income parents they serve. In this county, not only are the policies and procedures used ineffective in regards to child care assistance for low income families, there simply is not enough funding to go around. Federal help is needed to designate an efficient system that will insure that financial assistance gets to the service providers so that they are willing to accept those parents who cannot afford to pay for child care. Federal help is needed in providing adequate funds for all of those parents who need child care who simply cannot afford it. In Flint, where the economy has suffered tremendously because of dependence on the automobile industry, this kind of help is sorely needed. Providing Federal financial assistance is necessary in order to: 1) stop children from being placed in inadequate child care arrangements, 2) allow all children, at any age, equal access to quality programs and, 3) allow parents to work or go to school even though they cannot afford child care.

Finally, the division of early childhood education programs and child care programs is not acceptable any longer. If quality education is provided, child care is a part of it. If quality child care is provided, education is a part of it. Federal money is needed to bridge the gaps in service that now occur. Flints' Head Start, Chapter 1 and Readiness For 4 are examples of this--no child care is provided after "traditional" education hours. Part time programs must be expanded to offer programs that meet the needs of working parents. Full day, full time programs as well as year round programs are needed. Without this, parents are forced to use a patchwork of services for their young child who surely needs the consistency and security of one, at the most, two child care arrangements not three or four inconsistent, rushed solutions to a child care dilemma. Support must be given to all programs so that parents can make adequate arrangements for each of their children. Moving children from program to program each having different guidelines and regulations is not acceptable.

The Flint Schools operate a variety of early childhood education and child care programs. The Flint community does the same. Still, there are young children left unserved, there are parents unable to find or afford adequate child care, there are gaps in service. Without federal dollars to expand, upgrade and regulate early childhood programs, the Flint Schools will have great difficulty solving these problems. The Flint community will have great difficulty solving these problems. Indeed, this entire country will have difficulty solving these problems. Comprehensive child care legislation that addresses these problems for all young children, for all parents and for all communities is needed.

Again, I express my sincere appreciation on behalf of the Flint Community Schools and the Flint community for the opportunity to speak with you and commend your efforts in the area of child care and early childhood education. Your crucial decisions will shape the future of America.

Chairman HAWKINS. Thank you, Ms. Chom. Mr. Ambach, the chair is quite interested in the point that you raised pertaining to voids in the providing of services. You had seemed to indicate that the H.R. 3 does not extend as far as we hoped that it would, actually.

Under Title II of the proposed bill on page 11, we did indicate this is an amendment to the Elementary and Secondary School Act. Obviously, it extends much beyond age 3 or 4, any limiting age.

We say before- and after-school care shall be provided. We would assume that that actually would include others beyond the age of 4. Perhaps we are not clear on it. To some extent in the introduced bill, we deliberately left out any specificity in that regard, subject to hearings and recommendations at a later time.

So, I think your point is well taken, but what I am suggesting is that we have, in effect, included age groups beyond the limit of 4. I think the re-reading of that might encourage you to at least see some opportunity for us to be more specific at a time depending on these hearings. I just wanted to point that out to you.

Also, in the bill introduced by Mr. Kildee, the proposed age now is 13 rather than 14, the change which we made, I believe, at the end of the last session. Then, on page 8 of your statement you recommend that specific requirements for parental participation be included in Title II.

As you well know, Head Start, of course, requires parental involvement now. Perhaps your recommendation is that we be more specific or go beyond what is currently required. I just wanted to find out from you whether or not you are suggesting some specific language in that connection in terms of the statement that you made.

Mr. AMBACH. Mr. Chairman, may I comment on each of your points in order?

Chairman HAWKINS. Yes.

Mr. AMBACH. First on the point of the coverage by age under Title II, in effect, Title II has two separate parts to it. The first one is the early childhood development programs; and the second is the part which has to do with providing for child care.

I agree with you and I have been observant of the fact that that extends beyond the early childhood programs. Indeed, there is not even a limit in that by way of the age of the children. It could go on up through the secondary level.

So, in Title II, there clearly is a child care provision which extends beyond the early childhood programs and moves up into the elementary and secondary grades. I recognize that.

Under Title I, the child care provisions are only associated with those children who would otherwise be in a Head Start program. My reference to the concern for gaps has to do with the fact that unless a child is either enrolled in a Head Start program or one of the early childhood programs under Title II in the public schools, then those children would not otherwise be accorded any benefit for child care under H.R. 3 because Title III stops at age 2. That is one of the concerns.

A second concern has to do with the provisions of child care in the non-public schools because Chapter 1, not Head Start, is limited to the ages for eligibility of Head Start and not beyond. Because you have a limit under Title II of the child care, in effect, under the same general provisions as now exist for Chapter 1 of the elementary and secondary act, the concern is whether, as a practical matter, as a real matter, there will be child care services provided for elementary school children or middle school or high school children, if they happen to be otherwise eligible, for those children who are in the private schools.

They could be so served under the ABC bill. They could not be served as I read Title II. That is a specific gap to which I am referring.

Chairman HAWKINS. Assuming that——

Mr. AMBACH. That can be repaired, Mr. Chairman.

Chairman HAWKINS. Yes. Assuming that the committee adopted the provision including non-school providers, I am quite sure that we would consider the age limits and try to avoid any gaps. I think one goes with the other. Obviously, your suggestion is well taken, so it will be considered, I can assure you.

Mr. AMBACH. Well, I am trying to offer it in the most constructive way that I can to make sure that the objectives of H.R. 3 overall and the objectives which are under ABC can be joined in whichever way the pieces happen to be clustered under Titles I, II, and III, that there are not the gaps.

The last point that you made, Mr. Chairman, on parent participation, I very explicitly noted that the parent participation under Title I is, of course, a continuation of Head Start. My concern was in making more explicit the parent participation under Title II either by a direct incorporation of reference to a particular section under the Hawkins/Stafford Act or by explicitly putting the language into the Title II. Once again, we would be very pleased to provide some——

Chairman HAWKINS. If you would provide language accomplishing that, I am quite sure we would be guided basically by your suggestion. I think everyone is agreed that parental involvement is important. Obviously, we are much concerned about it. If we can strengthen it in any way, I am sure we will.

Mr. AMBACH. Thank you.

Chairman HAWKINS. Thank you very much for that. Mr. Smith?

Mr. SMITH. I have a question for Mr. Ambach. First, let me say that it is nice to see an old friend and a professional colleague in this room.

Mr. AMBACH. It is nice for me to be able to congratulate you here, sir, on your election.

Mr. SMITH. Well, here's to you. As you know, Gordon, my background in education revolves around the questions of access and the questions of quality and the questions of community-based networks. I am admittedly still in a position of trying to understand some of the specific parts here.

I would like to at least begin with a question to you and for Ms. Chom, as time permits, simply as to what your vision and what the chiefs' vision of an early childhood or a child care system in this country would be if it were done; we had done what was, in your minds, right for children and for their parents and we stood back to survey our work.

What would it look like? What would it feel like? What would its tone be?

Mr. **Ambach**. Our vision would be that you would have available the opportunity for parents with families to have their children, certainly at ages 3 and 4, participating in pre-kindergarten or early childhood programs with the possibility of the child care before and after school on through a continuing year where it is needed and where it is, in fact, chosen.

Our vision is one of voluntary participation at these age levels. We are not talking about compulsory schooling here, which I think makes a very, very important point, but we are most important talking about opportunity. We are talking about access.

Now, to provide that kind of system means that you must have, in our judgment, multiple providers. They will be both in the public schools and they will be under private auspices. They will be under publicly funded organizations other than the schools. We think that is a healthy thing at these years of non-compulsory schooling.

Just one more point about the importance of the years earlier than 3, because I have been focusing on 3s and 4s by way of pre-kindergarten and related child care, there is an important need for parents and the very youngest children to have access to those ways in which both parents and those youngest children can learn together through the kinds of centers which, in many cases, are offered under Head Start or under other auspices now.

There is, as has been pointed out, a desperate need for child care for our very youngest children where one parent, both parents, whatever the structure of the family, are occupied and working. I hope that is some sense of what we envision.

Mr. **Smith**. Thank you. Ms. Chom?

Ms. **Chom**. I would have to agree with Mr. Ambach. I think that the collaborative, multiple approach to child care is really ideal. That is what is in place now. I think that if we took the approach of having many providers for children, the public schools can lead in that and provide a very strong impetus for quality care.

The multiple providers and the collaborative efforts that can happen in communities in terms of child care which are now existing, should be supported and should continue. I think that that is the best approach for parents to be able to choose from a wide variety of places for their young children. They should be able to have options in child care.

Mr. **Smith**. Thank you. That is all, Mr. Chairman.

Chairman **Hawkins**. Mr. Kildee?

Mr. **Kildee**. Thank you, Mr. Chairman. I will address this to Ms. Chom, but both of you may want to answer. Some have suggested that if parents are provided with a tax credit, they will have more money to spend for child care and the supply of child care will expand as a result.

As a matter of fact, some have told me that the tax credit approach is the one that will avoid entanglement. Are parent fees alone, whether they are derived through tax credits or not, enough to cover both start-up costs and operational costs for quality child care?

Ms. CHOM. Absolutely not. Parents cannot afford out-of-pocket expenses that would be incurred in putting together start-up costs for programs and expanding programs. I have a difficulty with the tax code because out-of-pocket expenses for parents are very difficult, particularly low income parents who cannot afford to take money out of their pocket to pay for child care and wait for it to come back later on in the year.

Not only that but as you suggested, there is not money for start-up costs from the fees that are generated from parents. There is money needed to do that, to expand services.

Mr. KILDEE. You mentioned that in Head Start and Chapter 1 and Readiness for Fours that you have professional staff people who are making a professional salary, and in the child care program that you have those with less training making a lower wage.

How much staff stability do you have in those programs where they are making the lesser wage? Do you have a high turnover?

Ms. CHOM. There is a high turnover. We lose staff every year. Some are very dedicated and stay but are looking very strongly into how they could possibly get into the Federally funded programs. So, the good people that we do have that are dedicated to early childhood education are becoming burned out and ready to move on to where there might be money and be able to pay for their own home.

Mr. KILDEE. Let me ask you this, too. Do the Flint public schools work with private providers in any fashion? Is there any cooperation between the school system and, say, the 4C program in Flint?

Ms. CHOM. We have a strong collaborative effort with Flint community schools through 4Cs and through the Child Care Directors Association in our county. We work with all of the child care programs in the county. We put on programs together. We look at where the need might be, how we could advertise and increase the availability of child care in our community.

I feel that collaborative effort has worked for us. Although we do not contract any child care services out to private child care centers because we provide it ourselves, we are in cooperation with them because we work together.

Mr. KILDEE. What percentage of child care in the city of Flint is provided by non-public school providers, roughly what percentage?

Ms. CHOM. Probably about 80 percent.

Mr. KILDEE. Eighty percent; twenty percent by the public schools. Of the eighty percent, what percentage of that is provided by church affiliated groups?

Ms. CHOM. It probably follows the same as across the country, about one-third.

Mr. KILDEE. About one-third, okay. Let me ask both of you this question. Mr. Ambach, some public schools currently contract with PTAs or YMCAs or YWCAs on other nonprofit entities for the operation of before and after school child care services.

Should Federal support for before and after school services be made available in a manner flexible enough to continue this practice?

Mr. AMBACH. Yes.

Mr. KILDEE. You think it should. We do know that there might be some public schools who would not be interested at this time in directly providing child care. So, you feel allowing them to contract out would be a good thing?

Mr. Ambach. Yes, I do. That assumes, of course, that a standard of quality is maintained. I would support that. We have, incidentally, Congressman, some of the states which now are moving with state law which provides for that kind of subcontracting, if you will, for services where the local public school district determines that it is best provided that way. So, there is precedent.

Mr. Kildee. I see the red light has come on, so I will yield. Thank you, Mr. Chairman.

Chairman Hawkins. Mr. Williams?

Mr. Williams. Thank you, Mr. Chairman. I appreciated both of your testimonies. It was very interesting and very helpful. I am still in the process of trying to prepare my own legislation and it is a slow process because there are so many options. One tries to, as Mr. Kildee and Mr. Hawkins have, be thoughtful about this. Your testimony has helped me on a couple of matters I was wondering about.

Let me ask a couple of simple questions, but obviously I ask them for a reason. The first one is, do we want—for both of you, please—do we want Federal dollars going to churches or religious institutions for the purpose of providing religious education to children?

Mr. Ambach. Congressman, there are many ways which have long been tested though which either states or Federal funding is provided for the support of various aspects of education in non-public sectarian institutions. There certainly are many ways in which the record has been built in this country that child care would be constitutionally authorized to be in sectarian institutions.

The point of agony here, and lots of us have shared it with you, is the question of how do we try to merge the interest of a tradition of child care and the interest of a tradition of education? They do have different constitutional backgrounds in order to assure that we can expand services for our very youngest children and their families.

It is my judgment that it is a legitimate expenditure of certain funds from Federal or state or local authorities to be in sectarian institutions for purposes of education programs and especially for purposes of certain child care programs.

I would point out that the history of educational development, not in all states but in the eastern part of this country, of course, was a history of a start in our educational system in the private sector. The public sector came after.

There is, then, in the 19th Century, a lot of changeover which occurred, but it is not a flat out public school development over the years. I would also point out that there are Federal precedents right now with handicapped programs, for example, where it is perfectly possible to have the education of children with handicapping conditions which are in institutions that are non-public and in fact are sectarian in their auspices.

Now, the controls within those institutions, specifically for the program, are armed with respect to the direct instruction in religion. So, my answer to your overall question is yes, I think it is possible to do that. I think we have constitutional record that demonstrates it.

As you have been stating, we are at a very pivotal point as to whether in these earliest years the system is to be designed so that precedents which have been established on both sides, somehow can be merged.

In so doing it, I would argue that right now the most critical thing is to make sure that we are finding a way to expand services for our youngest children. That is the most critical thing. If we run upon a collision between certain constitutional provisions, past, and the issues of needing service, I would say I would lean on the side of trying to increase those services right now.

Mr. WILLIAMS. Ms. Chom, before you answer, let me develop a little bit what Mr. Ambach has said. The Chief State School Officers is an important organization in this country with regard to education policy. In as much as we are here talking about a very critical issue, I want to be sure I understand your response correctly.

The question, again, was do we want Federal dollars going to churches or religious institutions for the purpose of providing religious instruction to children? I did not ask whether church run organizations can administer day care programs. I asked whether the dollars should be used to allow that church to provide religious instruction to the children.

Now, having focused on that, would you respond?

Mr. AMBACH. The answer to that is no.

Mr. WILLIAMS. Thank you. Ms. Chom, would you respond, please.

Ms. CHOM. My answer to that would also be no, but I would have to reiterate what Mr. Ambach had said about the idea that if we are going to get delayed in looking at child care legislation because of the church state issue, we need to really focus on how we can settle that quickly and not let that deter the child care legislation issue.

Mr. WILLIAMS. But your answer to the basic question is no.

Ms. CHOM. For the purpose of religious instruction, no, but I do believe that child care can be provided in churches without providing religious instruction for children.

Mr. AMBACH. I agree.

Mr. WILLIAMS. Yes, that is the critical thing here. Then the constitutional test will be how do we then provide the money to the churches and still meet the test of no entanglement? That is a toughy.

Mr. AMBACH. Use Head Start.

Mr. WILLIAMS. Use the Head Start model?

Mr. AMBACH. That is correct.

Mr. WILLIAMS. Well, I had suggested that several times. I have had some constitutional folks come by and say, in fact, Head Start does not meet constitutional muster.

Mr. AMBACH. Congressman, the thrust of my testimony on this issue is that the value of H.R. 3 looks at Title I, Head Start together with Title II for the public schools, together with the Title III and that in so doing, I think provides the way in which you can simultaneously look at the possibility of increasing the programs and providing child care in the private sector, predominantly through Title I, and then build out the programs in the public sector through Title II.

Mr. **Williams**. Let me ask the second question. Do we want one early childhood education system for low income children and a separate early childhood education system for all other children in America? The question, of course, goes to whether Head Start should survive under a new system.

Ms. **Chom**. I feel that it is a very critical issue. I think that child care needs to be the same for all children. To single out one system for low income children is not fair, should not happen. Child care should be available for all families. They should be able to choose what they want for their child. They may not choose Head Start.

What about the parent who has a 2-year-old child and a 4-year-old child; they cannot access the Head Start program because they have a 2-year-old child that needs to go to a program? They have to use a different program. They cannot use Head Start. They do not qualify for assistance for child care because they cannot use Head Start?

I think that we have to provide a system of allocating funds for parents to be able to use those funds wherever they choose.

Mr. **Ambach**. Congressman, the answer is no, we do not want to have two separate systems. The problem is that on the one hand, we need to direct the public resources to the economically disadvantaged. Yet we do not want to provide that income isolated system.

I think you have to look at this in an overall sweep of time, if you will, even if we were to drop back 20 or 25 years before Head Start where there were virtually no programs or very few programs for 3s or for 4s and, in many cases, not many for 5-year-olds, either in the schools or outside the schools.

So, we are having a developing circumstance where more and more and more children who are 3 and 4 are in attendance. Right now in the country, 95 percent of 5-year-olds plus are now involved in the schools. When you get to the 4s, according to the census data, it is about 40 percent but I am not sure that that is right on the target. That is doubled since 1970 when it was 20 percent.

I think the point is that if we look ahead five to ten years, we will have virtually a universal opportunity for 4-year-olds to be enrolled in some way or participating in some way. The question then is going to be 3s or 2s or what happens by way of adjustments.

I think one could conceive as we build out to more universal opportunity, that we are phasing into systems in which the initial thrust of public money on low income shifts so that then there is a broader support for more universal activity.

The possibility then is to shift your public funding more to 3-year-olds or to younger ages where, in fact, with parent and child programs you increase the service there. How far that goes, I am not sure.

It seems to me that one does need to see this over a period of time and clearly be building from the priority of public funds on disadvantaged but toward a universal opportunity.

Mr. **Williams**. As we move toward that universal opportunity, are we best served by having part of the child care system run by HHS and the other part run by Department of Education?

Mr. AMBACH. I do not know if we are best served by that, but I think we can be well served by that; that it is not absolutely necessary to have to merge it all into one single system.

Mr. WILLIAMS. Thank you.

Chairman HAWKINS. Mr. Gunderson?

Mr. GUNDERSON. Thank you, Mr. Chairman. Mr. Ambach, I understand that the Chief State School Officers have endorsed Mr. Hawkins' bill, that you endorsed the ABC bill, and that you have endorsed the Kennedy bill. Which one do you really like?

Mr. AMBACH. Obviously, we like them all, but we like parts of each because in our endorsements of each of them we have, in fact, made comments about the adjustments that ought to be made.

I think the most important thing about H.R. 3 is that it has the comprehensive approach to it. One can look in part at the Smart Start proposal as an alternative to Title II. It is primarily a program which is structured toward increasing the offerings in the public schools.

We have strongly supported Head Start and that, of course, is in Title I. My comments this morning were to the effect that if we keep the structure of H.R. 3 together and then see the ways in which the major components of each of the bills that you have just cited can be folded into that, then we are best served by way of providing a comprehensive policy for early childhood and family development.

Mr. GUNDERSON. All three bills also, at a minimum, call for the development of Federal guidelines or standards, and some impose very strict Federal standards as a condition of getting any Federal money.

Can I assume, then, that you would share a similar philosophy for the development of Federal standards on all education curriculum at the local school level as well?

Mr. AMBACH. No, I do not think that you can make that assumption. That is not our position. In this particular case, the standards which are, in fact, prescribed are the standards on the child care programs and, in fact, where there is reference to standards with respect to the educational components, there is, in effect, a reference over to standards which the states have already established. I would support that.

Mr. GUNDERSON. What do you support as a concept for state and local standards for education curriculum—and why do you not have similar confidence for states and local government to develop standards for child care?

Mr. AMBACH. For child care? I do not believe——

Mr. GUNDERSON. Why can't a state and local government be good enough to deal with that 5 to 18-year-old and the entire education development of that student, if you think the state and local government is competent of dealing with the child care standards of that 1 to 5-year-old?

Mr. AMBACH. Congressman, it is not a question of a judgment of capacity or competence to do it. I think that circumstance under child care where you have predominantly a Federally developed system over time with multiple providers including those in the schools and outside of the schools, there it is important to have a kind of standardization for that program overall in the country so that there is an insurance that those standards are, in effect, both inside and outside of the school systems. I think that is the difference here.

Mr. Gunderson. There are various authorities in childhood development who have suggested to us that the concept of a child being raised in a total school-based, government regulated system from six weeks to 18 or 19 years of age is a very dangerous precedent. How do you respond to that?

Mr. Ambach. I am not supporting that kind of a system, neither is my council. Our own position statement, Congressman, which we have provided here as a part of the testimony, I think is very explicit on the priorities that we set, on the directions which resources ought to be place and, as I pointed out just a few moments ago, a very strong stance on volunteerism with respect to the choice of which institution is used when we are talking about these early years.

Mr. Gunderson. One of the problems that many of my district's school administrators have shared with me about school-based child care is not their opposition to it but frankly, the reality that they do not have either the space or the capital to provide it in this day and age.

They contend, that if you are serious about providing child care in our communities, you better recognize that unless you guarantee us a diversity of child care deliverers, there will be no child care because the local taxpayers are not going to approve a referenda to add on to the building for child care.

How do you respond to that?

Mr. Ambach. I repeat what I said earlier, that our position is one that is very strong on the matter of having multiple providers. The reason for that in part is that we know there are many communities where there simply is not the capacity or the particular interest in that community to provide that kind of care affiliated with or in the school system.

Therefore, we have strongly supported a multiple provider system enabling those school districts which want to offer it to do so but where they may not have the space or the interest to make sure that it can be provided in another way in the community.

Mr. Gunderson. If you support multiple providers and you also support the development of Federal standards and regulation, can you share with this committee examples of where state regulation today albeit in place is simply inadequate and not doing the proper job?

Mr. Ambach. State regulation of what?

Mr. Gunderson. Of child care? I mean, the reason the Federal government gets involved is normally because local or state governments have failed to meet up to their responsibilities.

If we are going to get the Federal government into the development of standards, regulations, and inspections of local child care facilities, we have to assume, and frankly I think we have to have, that the record shows that states and local governments are simply unable or unwilling to provide the proper levels of standards.

It would be very helpful to this committee, and certainly a number of us on this committee who make the case, if you will show us the evidence which justifies the Federal government getting that much involved in what we believe ought to be a local affair.

Mr. **Ambach**. Congressman, with all respect, I take a different perspective on your assumption. I do not think the assumption is that Federal regulation comes in only where there has been a failure on the local or the state part. It seems to me that it is entirely proper, and I think there is a very, very strong track records over the year of where certain Federal specifications or qualifications have been joined with new Federal initiatives.

I would say Title 1, Chapter 1, is an example of that. Education for all handicapped children is an example of that and so on. I think the issue here is not whether there is a specific distrust or a failure; the issue is whether in establishing major new commitments of Federal resource that there is a justification for a certain minimum level of standard from the Federal level. I think with respect to the child care provisions which are in H.R. 3 that that is justified.

Mr. **Gunderson**. The traditional Federal role in education has been one of access and equality. You mentioned Chapter 1, handicapped civil rights laws. All of those are premised on a Federal concept of access and equality. I do not know how you can relate that same theory to justifying Federal intervention in setting standards and inspection of child care. That is what you are trying to do.

Mr. **Ambach**. Well, I think the very words that you use prove the point. The Federal role has been access and quality. The issue of providing extensive increases or increases in child care is to provide access. I believe that ought to be provided with the companion piece which is quality. I think it is entirely consistent with what has gone before.

Mr. **Gunderson**. I guess you missed my point.

Mr. **Ambach**. Sorry.

Mr. **Gunderson**. Access and equality——

Mr. **Ambach**. Are you saying quality or equality?

Mr. **Gunderson**. Equality.

Mr. **Ambach**. I bed your pardon. I thought you——

Mr. **Gunderson**. If my midwestern accent is failing me, I apologize for that.

Mr. **Ambach**. That is an eastern here that missed it, I think. That is my fault. I think, Congressman, you would not eliminate the aspect of a concern for quality or perhaps you are.

Mr. **Gunderson**. I share a commitment to quality as much as anybody in this room. My concern is, show me the evidence that states and local governments today are not assuring that quality.

I mean, in the mid 1970s, when when I was in the Wisconsin state legislature, we were passing regulations at the state level for, in essence, minimum standards for family and home-based child care.

I happen to believe the state of Wisconsin and some of the local county governments within my district have done a more than adequate job to see to it that child care comes up from out of the underground, that the standards are there, that the licensing is there.

I do not understand the basis for the Federal government using its limited resources in the regulatory aspect. I mean, we have X amount of dollars; where do you want to use them?

You must mentioned the whole issue of access to child care. I think that is a very real concern since many families cannot afford child care today. We have to find a way in which we can assist them in that regard.

I would much rather we put our money in helping those parents obtain financially quality child care than spending that money in Federal standards, regulations and inspectors. I am struck by the fact that Chief State School Officers, who generally are very protective of the prerogative of themselves on down, set the standards and curricula within education and do not share a similar philosophy within child care.

Now, I understand that political desire to please the chairman and Senator Kennedy and all of that. However, I think there are many opportunities over the year where you can please them and still maintain your traditional philosophy on the issue of child care.

Mr. **Ambach**. I can only repeat what I just said, Congressman, and that is that we are talking here very specifically about the child care quality provisions.

Mr. **Gunderson**. I am going to go back again. Anybody who advocates Federal regulation of child care, I think, has the burden upon them to come to this committee with evidence that the states and local governments are not doing an adequate job today before they suggest that we divert our limited resources from supporting the availability of child care to regulating it.

Lauren had something to say.

Ms. **Chom**. Yes. I think if you polled the early childhood community and child development experts across this country, you would find diversity among states in terms of their licensing requirements.

Some of those states do not have adequate licensing standards. Federal standards would help us to have a minimum set of guidelines to follow. There may be states that require one adult per three infants, one adult per four infants.

There are also states that require one adult per eight infants. That is not acceptable.

Mr. **Gunderson**. But, Lauren, the problem, I spent a lot of time visiting quality, I mean the top of the shelf, child care facilities in my district. Without exception, the administrators of those child care programs, which are institutional, not family, home or church-based but institutional child care centers, say the problem we have is surviving because of the cost of our child care facility.

The reality is that young parents just getting started cannot afford our child care. The problem is not a desire for quality out there. I do not find a gross intent to abuse children in child care. I think it is just the opposite, that highly motivated people are trying to provide the best environment for that young child.

The problem is the cost. So, the challenge we all face here is how do we take our limited resources and maximize the quality available to those parents and their children.

Ms. **Chom**. I think that the problem is that the diversity among the states in terms of their guidelines for standards creates a situation where child care providers can follow less than quality care standards.

We need to have a set of guidelines that will go across the board to everyone; Head Start, infant toddler, all the programs. Yes, there is a lot of committed people out there that are providing quality care, but I think a portion of our dollars needs to go to ensure that all people are providing quality care not just the committed people.

Mr. **Gunderson**. Okay. Here is a follow-up question and then, Mr. Chairman, I will quit because I know I am beyond my time. What we do in a number of areas at the Federal level is we develop voluntary guidelines or standards which states can use.

I mean, one of the major components of the Federal activity is research and development of those standards. I could go over a whole host of Federal programs where we come up with voluntary guidelines and then we allow the states to utilize them in determining their guidelines, enforcement standards and regulating activities.

Is that acceptable or do you go the step further which says the Federal government itself has to promulgate those rules and spend the time enforcing them? There is a big difference between the two.

I have no problem with voluntary guidelines. I have a problem with Federal bureaucrat. Aren't we using limited dollars for Federal bureaucrats to go out and regulate and enforce standards when I think states and local are doing an adequate job?

No comment from either of you?

Mr. **Ambach**. I am sorry. I did not know who you were addressing it to.

Mr. **Gunderson**. I am wide open.

Mr. **Ambach**. Okay.

Mr. **Gunderson**. If everybody in the room were at a mic, I would let them all talk. We do not have time.

Mr. **Ambach**. Then a brief comment, Congressman, and that is that there is very strong support, of course, for voluntary guidelines. We do. I think there are some circumstances in which it is important as well to have specific requirements.

I think this is one. I think that if I would add one point to it, it is that you said a broad set of criteria at the Federal level and the enforcement on this, indeed, should be at the state and at the local level.

Mr. **Gunderson**. I yield to that, Mr. Chairman. Thank you.

Chairman **Hawkins**. The gentlemen had indicated that those of us sponsoring these bills should have some instances where national child care standards might be warranted because local standards were inadequate.

I ask permission to put into the record at this point several documents which I think go to that subject, one by the Child Welfare League and others. I will not take the time to read them.

They will be in the record for all to read and will indicate the lack of adequate standards in many states and local communities across the country. I just wanted to respond to the gentlemen's request that some of us submit the need for such standards.

If there are no objections—if the gentlemen would like——

Mr. **Gunderson**. I appreciate that, Mr. Chairman, but I have never asked you to defend your position with documents only the people testifying.

Chairman **Hawkins**. I thought you felt it was incumbent on us to at least show some of the background for requiring standards. After they have—I will ask permission to put them into the record after the gentlemen have had time to peruse them.

Mrs. Unsoeld?

Mrs. **Unsoeld**. Thank you, Mr. Chairman. Along that line, I wonder whether I could ask whether staff might assist this. I recall at an earlier hearing one of the witnesses saying there are parents today who are purchasing child care that is actually detrimental to the development of their children.

I wonder whether staff could help us find those remarks and perhaps redistribute them among us so that we might have some of that additional background. Also, I would like to ask a question of Ms. Chom.

Chairman **Hawkins**. Let me respond to that. I understand you are directing that through the chair for the staff to prepare for you that information. Is that the nature of it? I will have the staff consult with you, Mrs. Unsoeld.

Mrs. **Unsoeld**. I could not remember which witness it was, but I know we did have that testimony. I am sure that that witness also had additional documentation of why some standards were needed.

Chairman **Hawkins**. We will have the staff consult with you, and we will try to verify the witness. In addition to what the chair has asked to be submitted or will ask to be submitted, we will include such and also any contrary evidence that some of the members may have.

[Material submitted for the record follows:]

SPECIAL REPORT

How Kids Learn

BY BARBARA KANTROWITZ & PAT WINGERT

Ages 5 through 8 are wonder years. That's when children begin learning to study, to reason, to cooperate. We can put them in desks and drill them all day. Or we can keep them moving, touching, exploring. The experts favor a hands-on approach, but changing the way schools teach isn't easy. The stakes are high and parents can help.

It's time for number games in Janet Gill's kindergarten class at the Greenbrook School in South Brunswick, N.J. With hardly any prodding from their teacher, 23 five- and six-year-olds pull out geometric puzzles, playing cards and counting equipment from the shelves lining the room. At one round table, a group of youngsters fits together brightly colored wooden shapes. One little girl forms a hexagon out of triangles. The others, obviously impressed, gather round to count up how many parts are needed to make the whole.

After about half an hour, the children get ready for story time. They pack up their counting equipment and settle in a circle around Gill. She holds up a giant book about a zany character called Mrs. Wishy-washy who insists on giving farm animals a bath. The children recite the whimsical lines along with Gill, obviously enjoying one of their favorite tales. (The hallway is lined with drawings depicting the children's own interpretation of the book; they've taken a few literary liberties, like substituting unicorns and dinosaurs for cows and pigs.) After the first reading, Gill asks for volunteers to act out the various parts in the book. Lots of hands shoot up. Gill picks out four children and they play their parts enthusiastically. There isn't a bored face in the room.

This isn't reading, writing and arithmetic the way most people remember it. Like a growing number of public- and private-school educators, the principals and teachers in South Brunswick believe that children between the ages of 5 and 8 have to be taught differently from older children. They recognize that young children learn best through active, hands-on teaching methods like games and dramatic play. They know that children in this age group develop at varying rates and schools have to allow for these differences. They also believe that youngsters' social growth is as essential as their academic achievement. Says Jean Warren, a teacher consultant in South Brunswick, "Our programs are designed to fit the child instead of making the child fit the school."

Educators call this kind of teaching "developmentally appropriate practice"—a curricu-

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A 'basics' classroom is still the norm

Numbers don't seem abstract and forbidding if a child has dice to throw or blocks to count

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has based on what scientists know about how young children learn. These ideas have been slowly emerging through research conducted over the last century, particularly in the past 30 years. Some of the tenets have appeared under other names—progressivism in the 1920s, open education in the 1970s. But they've never been the norm. Now, educators say that may be about to change. "The entire early-childhood profession has amassed itself in unison behind these principles," says Yale education professor Sharon Lynn Kagan. In the last few years, many of the major education organizations in the country—including the National Association for the Education of Young Children and the National Association of State Boards of Education—have endorsed remarkably similar plans for revamping kindergarten through third grade.

Bolstered by opinions from the experts, individual states are beginning to take action. Both California and New York have appointed task forces to recommend changes for the earliest grades. And scores of individual school districts like South Brunswick, figuring that young minds are a terrible thing to waste, are pushing ahead on their own.

The evidence gathered from research in child development is so compelling that even groups like the Council for Basic Education, for years a major supporter of the traditional format, have revised their thinking. "The idea of putting small children in front of workbooks and asking them to sit at their desks all day is a nightmare vision," says Patte Barth, associate editor of Basic Education, the council's newsletter.

At this point, there's no way of knowing how soon change will come or how widespread it will be. However, there's a growing recognition of the importance of the early grades. For the past five years, most of the public's attention has focused on older children, especially teenagers. "That's a Band-Aid kind of approach," says Anne Dillman, a member of the New Jersey State Board of Education. "When the product doesn't come out right, you try and fix it at the end. But we really have to start at the beginning." Demographics have contributed to the sense of urgency. The baby boomlet has replaced the baby-bust generation of the 1970s. More kids in elementary school means more parents asking if there's a better way to teach. And researchers say there is a better way. "We've made remarkable breakthroughs in understanding the development of children, the development of learning and the climate that enhances that," says Ernest Boyer of The Carnegie Foundation for the Advancement of Teaching. But, he adds, too often, "what we know in theory and what we're doing in the classroom are very different."

The early grades pose special challenges because that's when children's attitudes toward school and learning are shaped, says Tufts University psychologist David Elkind. As youngsters move from home or preschool into the larger, more competitive world of elementary school, they begin to make judgments about their own abilities. If they feel inadequate, they may give up. Intellectually, they're also in transition, moving from the intensely physical exploration habits of infancy and toddlerhood

A good teacher gets down with her students

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to more abstract reasoning. Children are born wanting to learn. A baby can spend hours studying his hands; a toddler is fascinated by watching sand pour through a sieve. What looks like play to an adult is actually the work of childhood, developing an understanding of the world. Studies show that the most effective way to teach young kids is to capitalize on their natural inclination to learn through play.

But in the 1980s, many schools have tried to do just the opposite, pressure instead of challenge. The "back to basics" movement meant that teaching methods intended for high-school students were imposed on first graders. The lesson of the day was more: more homework, more tests, more discipline. Children should be behind their desks, not roaming around the room. Teachers should be at the head of the classrooms, drilling knowledge into their charges. Much of this was a reaction against the trend toward open education in the '70s. Based on the British system, it allowed children to develop at their own pace within a highly structured classroom. But too many teachers and principals who tried open education thought that it meant simply tearing down classroom walls and letting children do whatever they wanted. The results were often disastrous. "Because it was done wrong, there was a backlash against it," says Sue Bredekamp of the National Association for the Education of Young Children.

At the same time, parents, too, were demanding more from their elementary schools. By the mid-1980s, the majority of 3- and 4-year-olds were attending some form of preschool. And their parents expected these classroom veterans to be reading by the second semester of kindergarten. But the truth is that many 5-year-olds aren't ready for reading—or most of the other academic tasks that come easily to older children—no matter how many years of school they've completed. "We're confusing the number of years children have been in school with brain development," says Martha Denckla, a professor of neurology and pediatrics at Johns Hopkins University. "Just because a child

The Lives and Times of Children

Each youngster proceeds at his own pace, but the learning curve of a child is fairly predictable. Their drive to learn is awesome, and careful adults can nourish it. The biggest mistake is pushing a child too hard, too soon.

● Infants and Toddlers

They're born to learn. The first important lesson is trust, and they learn that from their relationships with their parents or other caring adults. Later, babies will begin to explore the world around them and experiment with independence. As they mature, infants slowly develop gross motor (sitting, crawling, walking) and fine motor (picking up tiny objects) skills. Generally, they remain egocentric and are unable to share or wait their turn. New skills are perfected through repetition, such as the babbling that leads to speaking.

■ 18 months to 3 years

Usually toilet training becomes the prime learning activity. Children tend to concentrate on language development and large-muscle control through activities like climbing on jungle gyms. Attention spans lengthen enough to listen to uncomplicated stories and carry on conversations. Vocabulary expands to about 200 words. They enjoy playing with one other child, or a small group, for short periods, and learn that others have feelings too. They continue to look to parents for encouragement and protection, while beginning to accept limits on their behavior.

▲ 3-year-olds

Generally, they're interested in doing things for themselves and trying to keep up with older children. Their ability to quietly listen to stories and music remains limited. They begin telling stories and jokes. Physical growth slows, but large-muscle development continues as children run, jump and ride tricycles. They begin to deal with cause and effect: it's time to plant seeds and watch them grow.

● 4-year-olds

They develop better small motor skills, such as cutting with scissors, painting, working with puzzles and building things.

goes to day care at age 3 doesn't mean the human brain mutates into an older brain. A 5-year-old's brain is still a 5-year-old's brain."

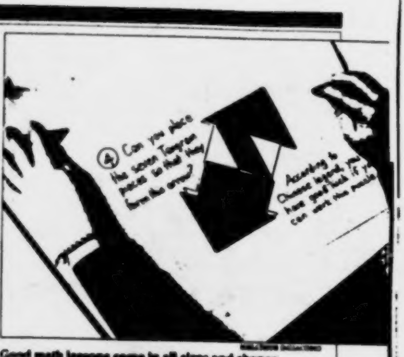
As part of the return to basics, parents and districts demanded hard evidence that their children were learning. And some communities took extreme measures. In 1985 Georgia became the first state to require 6-year-olds to pass a standardized test before entering first grade. More than two dozen other states proposed similar legislation. In the beginning Georgia's move was hailed as a "pioneering" effort to get kids off to a good start. Instead, concedes state school superintendent Werner Rogers, "We got off on the wrong foot." Five-year-olds who used to spend their days finger-painting or singing were hunched over ditto sheets, preparing for the big exam. "We would have to spend a month just teaching kids how to take the test," says Beth Hunnings, a kindergarten teacher in suburban Atlanta. This year Georgia altered the tests in favor of a more flexible evaluation; other states have changed their minds as well.

The intense, early pressure has taken an early toll. Kindergartners are struggling with homework. First graders are taking spelling tests before they even understand how to read. Second graders feel like failures. "During this critical period," says David Elkind in his book "Miseducation," "the child's budding sense of competence is frequently under attack, not only from inappropriate instructional practices ... but also from the hundred and one feelings of hurt, frustration and rejection that mark a child's entrance into the world of schooling, competition and peer-group involvement." Adults under similar stress can rationalize setbacks or put them in perspective based on previous experiences; young children have none of these defenses. Schools that demand too much too soon are setting kids off on the road to failure.

It doesn't have to be this way. Most experts on child development and early-childhood education believe that young children learn much more readily if the teaching methods meet their special needs:

Difference in thinking: The most important ingredient of the nontraditional approach is hands-on learning. Research begun by Swiss psychologist Jean Piaget indicates that somewhere between the ages of 6 and 9, children begin to think abstractly instead of concretely. Younger children learn much more by touching and seeing and smelling and tasting than by just listening. In other words, 6-year-olds can easily understand addition and subtraction if they have actual objects to count instead of a series of numbers written on a blackboard. Lectures don't help. Kids learn to reason and communicate by engaging in conversation. Yet most teachers still talk at, not with, their pupils.

Physical activity: When they get to be 10 or 11, children can sit still for sustained periods. But until they are physically ready for long periods of inactivity, they need to be active in the classroom. "A young child has to make a conscious effort to sit still," says Denckla. "A large chunk of children can't do it for very long. It's a very energy-consuming activity for them." Small children actually get more tired if they have to sit still and listen to a teacher talk than if they're allowed to move around in the classroom. The frontal lobe, the part of the brain that applies the brakes to children's natural energy and curiosity, is still immature in 6-


④ Can you place the seven Tangram pieces so that they form the arrow?
According to Chinese legend, you have good luck if you can sort this puzzle

Good math lessons come in all sizes and shapes

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They can master colors, sizes and shapes. They should be read to and should be encouraged to watch others write; let them scribble on paper but try to keep them away from walls.

■ 5-year-olds

They begin to understand counting as a one-to-one correlation. Improved memories make it easier for them to recognize meaningful words, and with sharper fine motor skills, some children will be able to write their own names.

▲ Both 4s and 5s

Both groups learn best by interacting with people and concrete objects and by trying to solve real problems. They can learn from stories and books, but only in ways that relate to their own experience. Socially, these children are increasingly interested in activities outside their immediate family. They can play in groups for longer periods, learning lessons in cooperation and negotiation. Physically, large-muscle development continues, and skills such as balancing emerge.

● 6-year-olds

Interest in their peers continues to increase, and they become acutely aware of comparisons between themselves and others. It's a taste of adolescence: does the group accept them? Speech is usually well developed, and children are able to joke and tease. They have a strong sense of true and false and are eager for clear rules and definitions. However, they have a difficult time differentiating between minor and major infractions. Generally, children this age are more mature mentally than physically and unable to sit still for long periods. They learn better by firsthand experiences. Learning by doing also encourages children's "disposition" to use the knowledge and skills they're acquiring.

■ 7- to 8-year-olds

During this period, children begin developing the ability to think about and solve problems in their heads, but some will continue to rely on fingers and toes to help them find the right answer. Not until they're 11 are most kids capable of thinking purely symbolically; they still use real objects to give the symbols—such as numbers—meaning. At this stage they listen better and engage in give and take. Generally, physical growth continues to slow, while athletic abilities improve—children are able to hit a softball, skip rope or balance on a beam. Sitting for long periods is still more tiring than running and jumping.

to 9-year-olds, Denckla says. As the lobe develops, so does what Denckla describes as "boredom tolerance." Simply put, learning by doing is much less boring to young children.

Language development: In this age group, experts say language development should not be broken down into isolated skills—reading, writing and speaking. Children first learn to reason and to express themselves by talking. They can dictate stories to a teacher before they actually read or write. Later, their first attempts at composition do not need to be letter perfect; the important thing is that they learn to communicate ideas. But in many classrooms, grammar and spelling have become more important than content. While mastering the technical aspects of writing is essential as a child gets older, educators warn against emphasizing form over content in the early grades. Books should also be interesting to kids—not just words strung together solely for the purpose of pedagogy. Psychologist Katherine Nelson of the City University of New York says that her extensive laboratory and observational work indicates that kids can learn language—speaking, writing or reading—only if it is presented in a way that makes sense to them. But many teachers still use texts that are so boring they'd put anybody to sleep.

Socialization: A youngster's social development has a profound effect on his academic progress. Kids who have trouble getting along with their classmates can end up behind academically as well and have a higher incidence of dropping out. In the early grades especially, experts say youngsters should be encouraged to work in groups rather than individually so that teachers can spot children who may be having problems making friends. "When children work on a project," says University of Illinois education professor Lillian Katz, "they learn to work together,

In Japan, First Grade Isn't a Boot Camp

[illegible]

Lessons in teamwork start early and last a lifetime

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Japanese students have the highest math and science test scores in the world. More than 90 percent graduate from high school. Illiteracy is virtually nonexistent in Japan. Most Americans attribute this success to a rigid system that sets youngsters on a lock-step march from cradle to college. In fact, the early years of Japanese schooling are anything but a boot camp; the atmosphere is warm and nurturing. From kindergarten through third grade, the goal is not only academic but also social—teaching kids to be part of a group so they can be good citizens as well as good students. "Getting along with others is not just a means for keeping the peace in the classroom but something which is a valued end in itself," says American researcher Merry White, author of "The Japanese Educational Challenge."

Lessons in living and working together grow naturally out of the Japanese culture. Starting in kindergarten, youngsters learn to work in teams, with brighter students often helping slower ones. All children are told they can succeed if they persist and work hard. Japanese teachers are expected to be extremely patient with young children. They go over lessons step by step and repeat instructions as often as necessary. "The key is not to scold [children] for small mistakes," says Yukio Ueda, principal of Mita Elementary School in Tokyo. Instead, he says, teachers concentrate on praising and encouraging their young charges.

As a result, the classrooms are relaxed and cheerful, even when they're filled with rows of desks. On one recent afternoon a class of second graders at Ueda's school was working on an art project. Their assignment was to build a roof with poles made of rolled-up newspapers. The children worked in small groups, occasionally asking their teacher for help. The room was filled with the sound of eager youngsters chatting about how to get the job done. In another second-grade class, the subject was math. Mariko Inoue, the teacher, suggested a number game to practice multiplication. After a few minutes of playing it, one boy stood up and proposed changing the rules just a bit to make it more fun. Inoue listened carefully and then asked if the other students agreed. They cheered, "Yes, yes," and the game continued according to the new rules.

Academics are far from neglected in the early grades. The Education Ministry sets curriculum standards and goals for each school year. For example, third graders by the end of the year are supposed to be able to read and write 508 characters (out of some 2,000 considered essential to basic literacy). Teachers have time for play and lessons: Japanese children attend school for 240 days, compared with about 180 in the United States.

Mothers' role: Not all the teaching goes on in the classroom. Parents, especially mothers, play a key role in education. Although most kindergartens do not teach writing or numbers in any systematic way, more than 80 percent of Japanese children learn to read or write to some extent before they enter school. "It is as if mothers had their own built-in curriculum," says Shigefumi Nagano, a director of the National Institute for Educational Research. "The first game they teach is to count numbers up to 10."

For all their success in the early grades, the Japanese are worried they're not doing well enough. After a recent national curriculum review, officials were alarmed by what Education Minister Takao Nishioka described as excessive "bullying and misconduct" among children—the result, according to some Japanese, of too much emphasis on material values. So three years from now, first and second graders will no longer be studying social studies and science. Instead, children will spend more time learning how to be good citizens. That's "back to basics"—Japanese style.

BARBARA KANTROWITZ with
HIDEKO TAKAYAMA in *Tokyo*

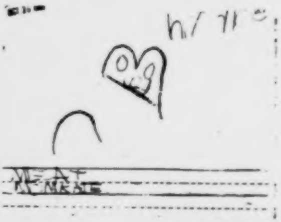
to disagree, to speculate, to take turns and de-escalate tensions. These skills can't be learned through lecture. We all know people who have wonderful technical skills but don't have any social skills. Relationships should be the first 'R'."

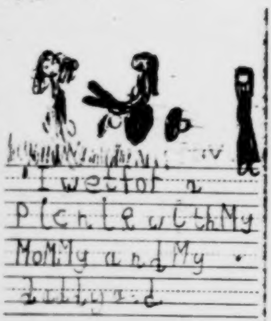
Feelings of competence and self-esteem: At this age, children are also learning to judge themselves in relation to others. For most children, school marks the first time that their goals are not set by an internal clock but by the outside world. Just as the 1-year-old struggles to walk, 6-year-olds are struggling to meet adult expectations. Young kids don't know how to distinguish between effort and ability, says Tynette Hills, coordinator of early-childhood education for the state of New Jersey. If they try hard to do something and fail, they may conclude that they will never be able to accomplish a particular task. The effects of obvious methods of comparison, such as posting grades, can be serious. Says Hills: "A child who has had his confidence really damaged needs a rescue operation."

Rates of growth: Between the ages of 5 and 9, there's a wide range of development for children of normal intelligence. "What's appropriate for one child may not be appropriate for another," says Dr. Perry Dyke, a member of the California State Board of Education. "We've got to have the teachers and the staff reach children at whatever level they may be at ... That takes very sophisticated teaching." A child's pace is almost impossible to predict beforehand. Some kids learn to read on their own by kindergarten; others are still struggling to decode words two or three years later. But by the beginning of the fourth grade, children with very different histories often read on the same level. Sometimes, there's a sudden "spurt" of learning, much like a growth spurt, and a child who has been behind all year will catch up in just a few weeks. Ernest Boyer and others think that multigrade classrooms, where two or three grades are mixed, are a good solution to this problem—and a way to avoid the "tracking" that can hurt a child's self-esteem. In an ungraded classroom, for example, an older child who is having problems in a particular area can practice by tutoring younger kids.

Putting these principles into practice has never been easy. Forty years ago Milwaukee abolished report cards and started sending home ungraded evaluations for kindergarten through third grade. "If anything was developmentally appropriate, those ungraded classes were," says Millie Hoffman, a curriculum specialist with the Milwaukee schools. When the back-to-basics movement geared up nationally in the early 1980s, the city bowed to pressure. Parents started demanding letter grades on report cards. A traditional, direct-teaching approach was introduced into the school system after some students began getting low scores on standardized tests. The school board ordered basal readers with controlled vocabularies and contrived stories. Milwaukee kindergarten teachers were so upset by these changes that they convinced the board that their students didn't need most of the standardized tests and the workbooks that go along with the readers.

Some schools have been able to keep the progressive format. Olive School in Arlington Heights, Ill., has had a nontraditional curriculum for 22 years. "We've been able to do it because parents are involved, the teachers really care and the children do well," says principal Mary Stitt. "We feel confident that we know what's best for kids." Teachers say they spend a lot of time





Learning to Write by Writing

Children's first efforts at writing need not be letter perfect. Spelling and grammar can be learned later. In the early years kids should just get used to the idea of writing. Here are samples of one child's efforts over a three-year period, starting at the age of 5.

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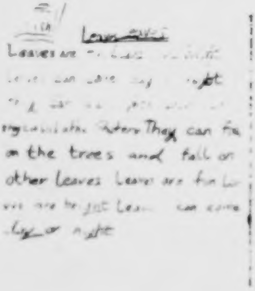

educating parents about the teaching methods. "Parents always think school should be the way it was for them," says first-grade teacher Cathy Bauer. "As if everything else can change and progress but education is supposed to stay the same. I find that parents want their children to like school, to get along with other children and to be good thinkers. When they see that happening, they become convinced."

A Primer for Parents

When visiting a school, trust your eyes. What you see is what your child is going to get.

● Teachers should talk to small groups of children or individual youngsters; they shouldn't just lecture.

■ Children should be working on projects, active experiments and play; they shouldn't be at their desks all day filling in workbooks.

▲ Children should be dictating and writing their own stories or reading real books.

● The classroom layout should have reading and art areas and space for children to work in groups.

■ Children should create freehand artwork, not just color or paste together adult drawings.

▲ Most importantly, watch the children's faces. Are they intellectually engaged, eager and happy? If they look bored or scared, they probably are.

Parental involvement is especially important when schools switch from a traditional to a new format. Four years ago, Anne Norford, principal of the Brownsville Elementary School in Albemarle County, Va., began to convert her school. Parents volunteer regularly and that helps. But the transition has not been completely smooth. Several teachers refused to switch over to the more active format. Most of them have since left the school, Norford says. There's no question that some teachers have trouble implementing the developmentally appropriate approach. "Our teachers are not all trained for it," says Yale's Kagan. "It takes a lot of savvy and skill." A successful child-centered classroom seems to function effortlessly as youngsters move from activity to activity. But there's a lot of planning behind it—and that's the responsibility of the individual teacher. "One of the biggest problems," says Norford, "is trying to come up with a program that every teacher can do—not just the cadre of single people who are willing to work 90 hours a week." Teachers also have to participate actively in classroom activities and give up the automatic mantle of authority that comes from standing at the blackboard.

Teachers do better when they're involved in the planning and decision making. When the South Brunswick, N.J., schools decided in the early 1980s to change to a new format, the district spent several years studying a variety of curricula. Teachers participated in that research. A laboratory school was set up in the summer so that teachers could test materials. "We had the support of the teachers because teachers were part of the process," says teacher consultant Joan Warren.

Making change is one way to learn subtraction

JOHN FICARA—NEWSWEEK

One residue of the back-to-basics movement is the demand for accountability. Children who are taught in nontraditional classrooms can score slightly lower on commonly used standardized tests. That's because most current tests are geared to the old ways. Children are usually quizzed on specific skills, such as vocabulary or addition, not on the concepts behind those skills. "The standardized tests usually call for one-word answers," says Carolyn Tapping, principal of Mesa Elementary School in Boulder, Colo. "There may be three words in a row, two of which are misspelled and the child is asked to circle the correctly spelled word. But the tests never ask, 'Does the child know how to write a paragraph?' "

Even if the tests were revised to reflect different kinds of knowledge, there are serious questions about the reliability of tests on young children. The results can vary widely, depending on many factors—a child's mood, his ability to manipulate a pencil (a difficult skill for many kids), his reaction to the person administering the test. "I'm appalled at all the testing we're doing of small children," says Vanderbilt University professor Chester Finn, a former assistant secretary of education under the Reagan administration. He favors regular informal reviews and teacher evaluations to make sure a student understands an idea before moving on to the next level of difficulty.

Tests are the simplest method of judging the effectiveness of a classroom—if not always the most accurate. But there are other ways to tell if children are learning. If youngsters are excited by what they are doing, they're probably laughing and talking to one another and to their teacher. That communication is part of the learning process. "People think that school has to be either free play or all worksheets," says Illinois professor Katz. "The truth is that neither is enough. There has to be a balance between spontaneous play and teacher-directed work." And, she adds, "you have to have the other component. Your class has to have intellectual life."

Katz, author of "Engaging Children's Minds," describes two different elementary-school classes she visited recently. In one, children spent the entire morning making identical pictures of traffic lights. There was no attempt to relate the pictures to anything else the class was doing. In the other class, youngsters were investigating a school bus. They wrote to the district and asked if they could have a bus parked in their lot for a few days. They studied it, figured out what all the parts were for and talked about traffic rules. Then, in the classroom, they built their own bus out of cardboard. They had fun, but they also practiced writing, problem solving, even a little arithmetic. Says Katz: "When the class had their parents' night, the teacher was ready with reports on how each child was doing. But all the parents wanted to see was the bus because their children had been coming home and talking about it for weeks." That's the kind of education kids deserve. Anything less should get an "F."

With HOWARD MANLY in Atlanta
and bureau reports

Change From the Bottom Up

In West Haven, Conn., happiness is a brave new first grade

The people who run the West Haven, Conn., schools recognized last year that they had a problem. Too many kids were dropping out; too many classes were boring. What were they to do? Instead of focusing their efforts on junior high and high school, they tried a different approach: change from the bottom up. By shifting to a new "developmentally appropriate" curriculum, West Haven aims to turn them on to school.

Teacher Linda Mathews, 39, is one of West Haven's new childsavers. On this day she's sitting on the floor with a hand puppet, teaching math. "Little bear is telling me a story about the time he went to meet a friend but was late and his friend started to cry," she says. "He doesn't have a watch, so how can he measure time without a clock?" She wants her first graders at the Alma E. Pagels Elementary School to grasp the concept of time and learn how to estimate it by counting seconds. The kids pair off with their "math buddies" to play the pendulum game. One student stands, swinging a ball of clay attached to a long string, and counts the number of seconds it takes the other student to snap 20 plastic links together to make two sets of 10. Mathews walks around listening and correcting the students as they count. Seven-year-old Stephanie Piccitelli says she counted to "a billion" but isn't sure how to write that number down. Mathews smiles and shrugs: sometimes the right answer isn't everything.

A collaboration: To help teachers enter this brave new world, West Haven officials have brought in consultants from the Greenfield Center School, a private school in Greenfield, Mass. Run by refugees from public education, Greenfield specializes in methods that gear lessons to a child's stage of development. "What you teach is a decision that the teacher has to make based on what she knows the children know," says Marilynn Clayton, a Greenfield teacher and consultant. "We see everything as a collaboration between child and teachers."

That union begins as soon as the kids come to class. At 8:25 a.m., Mathews's first graders arrive and immediately start to devise their own schedules by filling out a daily plan sheet. The classroom is carefully organized into learning-activity areas for art, group work, math and independent projects, among others. The plan sheet has a space for the child's name, the date and a list of about 15 choices of activities in words and drawings. Each morning, Mathews writes every student's name on the blackboard along with one assigned activity. She helps each student write down the assignment or color in the illustration on a plan sheet along with the child's choice of one additional activity.

On the classroom rug, children are at home in school

By 9:20, work has begun. The teacher rings a bell when it's time for the children to "freeze" and then "melt" to attend mandatory classwide discussions or switch to one of their two activities. The first work of the day is one of their favorites, a daily journal which everyone, even the preliterate, must keep. Using a developmental technique called "process writing," the children start the year by drawing a picture each day. At first, Mathews writes down what the child says about the picture as a caption. Later in the year, the children begin to scribble and write words the way they sound using "invented spelling." (Apple, for instance, is rendered as apel or apl.) Throughout the year, Mathews meets with each child to help translate the invented spellings into correct English. Then she types the child's captions onto the drawing page and eventually binds each student's work together to make a book, which children love because they get to think of themselves as authors.

After daily journal comes the morning meeting. Everyone sits on the rug either to do a math problem or to read the newspaper aloud to each other. Sometimes students read together from oversize books that everyone can see or sing songs or chants. As she engages each child in the activity, Mathews discusses concepts such as nouns, vowels, contractions and new vocabulary words. Next, the children complete their daily assignments.

After lunch is checking time, when Mathews reviews mistakes with each student. (Any child who misbehaves while Mathews is working is asked to sit in the "time-out chair.") The final lesson involves social studies, science or art. By then the children are tired. Mathews talks with each child and evaluates his or her day. She helps each one draw a happy or sad face on the plan sheet. They leave and Mathews remains behind to prepare for the next day. She doesn't evaluate herself, but after an exhausting day in class, she can't stop smiling.

CONNIE LESLIE in West Haven, Conn.

You may proceed.

Mrs. UNSOELD. Thank you, Mr. Chairman. It has been my view that how we rear our children is probably a primary importance to our real national security. I was interested in your remarks that the salary level for child care workers was even less than for Head Start workers, which I had not found particularly adequate.

What is the actual figure—what level of wage were you actually talking about?

Ms. CHOM. Our child care assistants are paid minimum wage. Our child care teachers are paid $5.20 an hour.

Mrs. UNSOELD. Would you say that that is perhaps an indication of how we really place our national priority on child rearing?

Ms. CHOM. Exactly.

Mrs. UNSOELD. Thank you.

Chairman HAWKINS. I yield to Mr. Smith.

Mr. SMITH. I have got a lot to learn. I got done in three minutes and I have got two left. I want to try to get inside the national standards thing, Gordon. You and I could go around about the EHA which is still a $3 billion unfunded commitment.

If we got $3 billion, how about helping out the property taxpayers of this country who are funding a civil rights on about a quarter of the loaf that we committed to them 15 years ago.

I think there is an enormous problem. I see this as an institutional approach. The model that I have—when I asked you the first question, I had the public school system, which is decentralized as it is, fundamentally operates the same way in all 50 states, the public school system of education.

Against that, I would place higher education which, in fact, operates on a variety of models, public and private, two year, four year, low graduate, high graduate, institutes, home study, life long learning, work place education, and an extraordinary diversity.

It is funded by public, by private, by personal, and by tax resources. That is a different model. The first part of my question, and I think we are on the verge, one way or the other, of creating a national policy about children under the age of five.

I think that is long overdue. My concern is that we follow a habit, if you will, to a system which looks most like, and I think over time would come to look more like, the system that exists for children ages 5 through 18 than other kinds of models.

I guess my question is how you respond to that in terms of the questions of quality, neither elementary nor secondary nor post-secondary education has national standards. That is one part of it.

At a time when we look at our public schools and we understand that those schools are failing 30 percent of the children outright because they leave, half of the remaining children because they underperform and enter the work force failed by the fundamental institution of this society, I ask you, as a loving critic of an institution of which I have spent my entire life, where is the model of success in that?

In other words, what is it we are trying to emulate? Why do we believe that that similar kind of a pattern will operate better for little children than it has for all children? I am deeply concerned that we get our hearts confused with, in the end, our heads or what we think will really work.

I am concerned that we will create a system that is as difficult to change as committed to mediocrity and tropic in our inner cities and in some rural areas where change is impossible because there is nothing to build on.

I am not just—which is where the need is greatest economically and educationally—I am not sure that I see the seeds of a new policy to do a better job in this thinking. That is a lot.

Mr. **Ambach**. May I respond by way of making a couple general comments about your characterization of two different systems. Yes, you could characterize the post-secondary system as being different from the elementary and secondary system.

That is to say you can characterize it as being different in the way it is funded. Yes, there are more variety of institutions and indeed there is a different pattern of financing than is true with the elementary and secondary.

We can assume that these things have been fixed and concrete for 200 years. They have not been. They have changed very, very substantially over time in their configuration.

If you are characterizing the difference between the post-secondary and the elementary and secondary, what I am testifying to is make the early childhood pattern 0 to 5 or up the compulsory age level look more like the post-secondary pattern than it looks like the elementary and the secondary pattern.

That is what I am saying. That is what H.R. 3 does because it provides that in fact you have got multiple providers. You have got a Title 1. You have got a Head Start program.

It is primarily served outside of the schools. It is served very, very effectively. I think it can be continuing to serve effectively and deal with some of the very difficult issues of constitutionality.

You have got a Title II which builds out on the public school system with a possibility of some service, certain service, in the private schools, which ought to be maintained, and then you have got, if you will, a child care wraparound for the two parts.

In short, I am arguing here that if you were to step back and look at it, we ought to be creating something more like that multiple provider system of post-secondary education for the earlier years than to create a fixed elementary and secondary system as we generally characterize it.

Mr. **Smith**. Thank you very much. I concur with the vision and maybe we will have an opportunity to see each other. I literally do not get that from—as I heard you up until this very moment, I equate choice in a system with having economic power.

I am not a user of the tax code to the exception of all other sources of funding child care at all. At the same time, I wonder where the favor is that we think we are doing with the policy for people who earn less than $20,000 or $18,000 a year, whether they live in my state, your previous state or wherever.

When we, in fact, say that the message is with Federal policy, the poorer you are, the less actual choice you have over what happens to your children. The wealthier you are, concomitantly, the more choice you have.

There is a fundamental message there that I am not sure, as good, frankly, as I happen to think some elements of this bill are, that we have not grappled with yet. I would appreciate a chance to talk with you about those fundamental questions.

Mr. AMBACH. Unfortunately, that is the circumstance right now. The question is whether H.R. 3 can help to correct it and, in fact, provide a direction of the Federal resources toward the poor so that you do increase the capacity of the economically disadvantaged to be able to make the choice.

I think H.R. 3 provides a very, very sound framework to do that.

Mr. SMITH. Thanks.

Chairman HAWKINS. Mr. Ambach, I will not really request that you answer this today if you do not desire to do so, but in Section 654 of the Head Start program, there are non-discrimination provisions.

It goes a little bit to the question, I think, that Mr. Williams asked earlier. A non-discrimination provision—there are several provisions actually—with respect to admissions and employment and handicapping, the question would be whether or not those provisions that are in the law with respect to Head Start would be inserted in whatever bill is passed through this committee or included in H.R. 3.

If you do not have an opinion today, and I refer to a Section that has not been really brought into this discussion today, and you care to submit to us at some subsequent time the position of the council on that question, we would certainly appreciate it.

Mr. AMBACH. I would ask that permission, Mr. Chairman, but I would indicate that I think the answer is yes; that including that provision would be acceptable. But I would like, if I could, to have the opportunity to review that language.

Chairman HAWKINS. Yes, I would appreciate you doing it after review so that we can specifically state the position of the council.

If there are no further questions, again I would like to thank both of the witnesses, Mr. Ambach and Ms. Chom for very well presented testimony and we appreciate all of your cooperation and support. Thank you very much.

Mr. AMBACH. Thank you.

Ms. CHOM. Thank you.

Chairman HAWKINS. The next witnesses will be the final group or panel this morning. I would ask Ms. Eugenia Boggus who is accompanied by Ms. Nancy Spears of the National Head Start Association; Dr. Alfred Kahn of the Columbia University School of Social Work; and Mr. Michael Schwartz, the Free Congress Research and Education Foundation, would those witnesses please be seated at the table?

Ms. Boggus, we will hear from you first.

STATEMENTS OF EUGENIA BOGGUS, NATIONAL HEAD START ASSOCIATION; NANCY SPEARS, NATIONAL HEAD START ASSOCIATION; ALFRED KAHN, COLUMBIA UNIVERSITY SCHOOL OF SOCIAL WORK; MICHAEL SCHWARTZ, FREE CONGRESS RESEARCH AND EDUCATION FOUNDATION.

Ms. BOGGUS. Mr. Chairman and other distinguished members, I am pleased to be here today to testify before a committee that has supported Head Start throughout the years. I am Eugenia Boggus, president of the National Head Start Association and a past parent who has received services through Head Start.

I am here today to talk about the Child Development and Educational Act of 1989 H.R. 3 and the need to expand Head Start services to meet the needs of those low income families who require full day, full year services.

Before I talk about H.R. 3 specifically, I would like to provide an overview of Head Start services and our way of thinking about services to preschool children. As you are aware, Head Start is a comprehensive program for low income preschool children and their families.

Since the beginning of the program in 1965, 11 million children have received services through Head Start. Right now, approximately 1,910 Head Start programs provide services to over 450,000 families and their children in all 50 states, Puerto Rico, the Virgin Islands and the Pacific territories.

Head Start children receive core services including medical, nutrition and dental services as well as planned classroom programs which increase their social and developmental skills.

Children who have handicaps are served in the same classrooms as the other Head Start children and receive extra special attention and services as needed. Some Head Start programs use community resources such as the Foster Grandparent program to provide a large amount of special attention and services.

Research, such as the study done through the Perry Preschool project, has shown that children attending comprehensive day care programs such as Head Start, have better school attendance, are less likely to be held back, are less likely to be in special education programs, more often complete high school, and are less likely to be involved in teenage pregnancy, crime and welfare dependency than are children who did not attend such a program.

In dollars and cents, the Perry Preschool project found an investment of $4,000 per child produced benefits of $28,933 in reduced crime, welfare, special education and other costs.

Equally important, Head Start provides training to meet Head Start parents' needs in the areas of health, nutrition, education and parenting. Head Start parents have the opportunity to learn preventive health, emergency first aid and safety measures.

Parents are introduced to health care resources in a community as they go to appointments with their child. They are visited by their child's teacher and are given suggestions for helping the child learn at home.

They also receive emotional support to help them develop skills in areas such as positive self-concept, coping with problems, and improved interpersonal relationships. As the child reaches school age, parents are encouraged to continue to attend parent conferences and to ask for teacher conferences if their child is having problems in school.

Parents of special children are told what to expect in the schools, and how to help their child get appropriate services.

Parents who feel better about themselves, who have learned more appropriate ways to cope with their environment, who have learned how to deal with a sick child and medical emergencies, who have learned what is best to feed their child, who have learned that teachers can be helpful rather than someone to be afraid of, who have learned where to go for help, who have learned how to help their child learn, such parents will be more able to help their child over the long term than parents who have not learned these skills.

The value of these services to the child and the family and even the extended family is immeasurable.

Another interesting aspect of our program involves the staff who work with our Head Start children and families with such success. Years ago, Head Start began with staff which included many parents who had at most a high school diploma.

Many began as volunteers and later worked as teacher aides and teachers and received training as they worked. They were supported by professionals within the programs and also by a national training and technical assistance network. In addition, there are now 12 Resource Access Projects which provide help in providing services to special children.

Today, even Head Start education staff is made up of teachers who have worked or are currently working to earn their Career Development Associate credential, the CDA, with the help of the Head Start program and also of university trained staff. This combination is excellent.

Who could better understand the needs of low income children and their families than someone who is from a low income family? And the staff with university training provide new ideas, guidance and support.

Another strength of the Head Start program is opportunity to choose program options appropriate to the needs of the local community. It has amazed me to learn about the different ways communities have found to serve the local needs.

These options include half-day programs, home-based/home-visitor programs, various combinations of the two and a few full day programs for children of working families. Programs are run by community action agencies, non-profit agencies and the public schools.

In some areas, Head Start serves four-year-olds on a contract basis with the public schools. In recent years, local Head Start programs have been discouraged from providing full day care to children of working parents so that services could be provided to more children.

However, the long range effects of this policy may well be counterproductive. Consider these contrasting facts: A 1988 study shows that 32 percent of Head Start parents were working full time and another 19 percent worked part time, had seasonal jobs or were in school or training, for a total of 51 percent of our parents occupied in meaningful activities outside of the home.

Yet, figures for 1987-88 show that full day Head Start services were provided to only 6 percent of the children enrolled, approximately 25,000 children. In fact, these figures probably underestimate the true need for such services.

Some Head Start eligible families in which the primary care giver is seeking to be able to work or attend school use non-Head Start child care programs which do not last throughout the day.

However, such an alternative services, which may include care by a babysitter or older child, often do not provide the support services offered by Head Start. If full day services were available through Head Start, more low income parents would be able to work or go to school without being forced to choose between a high quality comprehensive child development program or a program or care giver who can provide full day care.

It goes without saying that more families would be able to get off the AFDC program. We believe low income children and their families require and deserve high quality, comprehensive services and that Head Start's role should be expanded to meet the needs of low income families who require full day services.

The National Head Start Association believes that Head Start has an important role in the development of expanded child care services and that Head Start, with its success in working with low income children and their families, should provide the foundation for extended day services for low income, preschool children.

For this reason, we appreciate efforts such as the Child Development and Education Act of 1989 which builds on Head Start to increase child care services for low income children. There are eight points in H.R. 3 that affect Head Start that we want to speak to: 1) full day, year round care; 2) the need for comprehensive services for all children enrolled in Head Start; 3) the need to serve the low income children first; 4) consideration of the needs of handicapped children from families just above the poverty level; 5) the need to allow for more than inflationary increases in Head Start in order to keep core services; 6) funding possible for renovation and construction; 7) staff salaries; 8) the need for schools to be able to contract with non-profit organizations to care for preschool children.

First, the National Head Start Association would be very glad to be able, under Title I, to provide full day care and summer care to the children who are in Head Start and to the children of working parents.

We have tried to encourage families to get and keep jobs and to gradually work their way out of poverty; yet, we have no way to provide them will full day care or year round care.

Second, while increasing acceptance of children of working parents into Head Start and providing full day and summer care are excellent goals, we read the bill to mean that we could provide only child care for the children of working parents and not the core services we provide to the current Head Start children.

It is unclear from the language in the bill what services which children can receive. Are there to be two groups of children who receive two different levels of service? We strongly believe in uniform services to all children in the program whether the children are currently eligible or are on a sliding-fee scale.

In fact, our performance standards dictate uniform services for all enrolled children. For example, we have long worked to ensure that children who are Medicaid eligible receive the same health services as any of the other Head Start children and that they feel no discrimination.

All children enrolled in the Head Start program should have the same comprehensive services whether they are enrolled part day or full day.

Third, we feel a commitment to serve the lowest income children first, the children whose families are at or below 100 percent of poverty. This is the group of children we currently serve.

The language in the bill should make it clear that the new eligibility children or sliding-fee scale children will be served only as slots are available after all children at or below 100 percent of poverty in the program area are served. Money will be needed to provide for core services for these additional children.

Fourth, in the original Head Start Act, Head Start was allowed to serve 10 percent non-poverty children. Many of the children served in that group are handicapped. Their families are above the poverty line but have medical bills and other related expenses that are greater than those of other families.

In some communities, there are simply no other services available for these children. If we understand the bill correctly, under H.R. 3 these children will still be allowed to be in Head Start but it seems they will fall under the sliding-fee scale.

This problem needs to be considered so that families with high medical bills are not asked to pay additional fees. Perhaps we can handle this problem in a way similar to that used in the womens', infants' and childrens' program which takes high medical expenses into account when figuring eligibility for the program. Once again, it should be clear that we want to serve all children at or below 100 percent of poverty first.

Fifth, we appreciate the effort to see that Head Start receives an inflationary increase. However, we feel that this effort could limit our services for the very low income population we are designed to serve.

The language in this section of the bill tends to act as a cap on Head Start funds. In the past, except last year, we have been able to increase our appropriations more than the inflationary increase due to strong bi-partisan support for Head Start.

In this way, we have been able to increase the number of children served and the quality of the service to these children. President Ford and Carter have recommended increases in Head Start over an 8 year period to make services available to all low income, preschool children. President Bush's one year effort would give us a good start of serving the eligible children.

We do not want the emphasis taken from our basic commitment to provide comprehensive services to very low income preschool children. There is a bi-partisan consensus on the need to increase Head Start's core services to serve as many eligible children as possible.

We believe it is very important to have a separate Head Start reauthorization with targeting increases each year. In this way, the support can reflect actual gains and Head Start core services.

In addition, we believe that Head Start should remain linked to other key programs that help low income families. We look forward to working with you next year for a higher reauthorization level since there are still many eligible children for who services are not available and feel that the language concerning the inflationary increases would hinder that effort.

With this effort and the effort to increase full day services, families and children would have truly comprehensive services.

Sixth, under Title II, funding——

Chairman HAWKINS. Ms. Boggus, I hate to interrupt you, but we had asked the witnesses to try to give us the highlights so we could have time to question the witnesses. The present time schedule looks like we are not going to get through.

I wonder if you could summarize the remainder of your prepared statement. The statement itself will be in the record as submitted to us so that we may be able to expedite and get through with all of the witnesses.

Ms. BOGGUS. Yes, Mr. Chairman. I will just do about two points and then we will be through. As I was saying, sixth, under Title II, funding is allowed to be used for renovation and construction by the public schools.

Although we understand why Congress may not be supportive of construction costs, we strongly urge you to give the same option to Head Start. If not construction money, then give renovation money to all providers equally.

We all face the same problems in finding adequate buildings to use to serve children and in upgrading to keep the facilities attractive and acceptable for use by those children.

Under Title III, infant and toddler care, the issues of salaries for the relevant agencies is addressed. Salaries are also an area of concern for Head Start and should be addressed in the Head Start section.

We, too, have trouble with spending years in training staff, getting them through the CDA program or college and then having them take jobs with another agency because they get a higher salary.

Frequent staff changes make children wonder if they did something wrong, when really the teacher just needed a job that paid enough to help get her own family above the poverty level.

We understand their desire for better pay, but the turnover and retraining process is difficult for our children, families and support staff. We would like to be able to get salaries to the point that we are more able to retain qualified staff.

Last, we also see the need for schools under Title II to be able to contract for child care with non-profit agencies which are doing most of the child care in the country.

[The prepared statement of Eugenia Boggus follows:]

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Testimony of Eugenia Boggus

President of the National Head Start Association

before the

House of Representatives Committee on Education and Labor

March 6, 1989

Mr. Chairman, and other distinguished members, I am pleased to be here and to testify before a committee that has supported Head Start throughout the years. I am Eugenia Boggus, President of the National Head Start Association and a past parent who has received services through Head Start. I am here today to speak with you about the Child Development and Education Act of 1989, HR-3, and the need to expand Head Start services to meet the needs of low-income families who require full-day, full-year services. Before I talk about HR-3 specifically, I want to provide an overview of Head Start Services, and of our way of thinking about services for preschool children.

As you know, Head Start is a comprehensive program for low-income preschool children and their families. Since the beginning of the program in 1965, almost eleven million children and their families have received services though Head Start. Right now there are approximately 1,910 Head Start programs providing services to over 450,000 children and families in all fifty states, Puerto Rico, the Virgin Islands, and the Pacific Territories.

Head Start children receive core services including medical, nutrition and dental services as well as planned classroom programs which increase their social and developmental skills. Children who have handicaps are served in the same classrooms as the other Head Start children but are given extra attention and services as needed. Some Head Start programs use such community resources as the Foster Grandparent program to provide large amounts of individual attention to special children.

Research, such as the study done through the Perry Preschool Project, has shown that children attending comprehensive day care programs such as Head Start, have better school attendance, are less likely to be held back, are less likely to be in special education programs, more often complete high school, and are less likely to be involved in teenage pregnancy, crime, and welfare dependency than are children who did not attend such a program. In dollars and cents, the Perry Preschool Project found an investment of $4,000 per child produced benefits of $28,933 in reduced crime, welfare, special education and other costs.

Equally important, Head Start provides training to meet Head Start parents' needs in the areas of health, nutrition, education and parenting. Head Start parents have the opportunity to learn preventive health, emergency first aid and safety measures. Parents are introduced to health care resources in the community as they go to appointments with their child. They are visited by their child's teacher and are given suggestions for helping the child learn at home. They also receive emotional support to help them develop skills in areas such as positive self-concept, coping with problems, and improved interpersonal relationships. As the child reaches school age, parents are encouraged to continue to attend parent conferences and to ask for teacher conferences if their child is having problems in school. Parents of special children are told what to expect in the schools, and how to help their child get appropriate services.

Parents who feel better about themselves, who have learned more appropriate ways to cope with their environment, who have learned how to deal with a sick child and medical emergencies, who have learned what is best to feed their child, who have learned that teachers can be helpful rather than someone to be afraid of, who have learned where to go for help, who have learned how to help their child learn--such parents will be more able to help their child over the long term than parents who have not learned these skills. The value of these services to the child, the family and even the extended family is immeasurable.

Another interesting aspect of our program involves the staff who work with our Head Start children and families with such success. Years ago, Head Start began with staff which included many parents who had at most a high school diploma. Many began as volunteers and later worked as teacher-aides and teachers and received training as they worked. They were supported by professionals within the programs and also by a national training and technical assistance network. In addition, there are now twelve Resource Access Projects which provide help in providing services to special children.

Today, Head Start education staff is made up of teachers who have worked or are currently working to earn their Career Development Associate credential (CDA) with the help of the Head Start Program and also of university-trained staff. This combination is excellent. Who could better understand the needs of low-income children and their families than someone who is from a low-income family? And the staff with university training provide new ideas, guidance and support.

Another strength of the Head Start program is the opportunity to choose program options appropriate to the needs of the local community. It has amazed me to learn about the different ways communities have found to serve the local needs. These options include half-day programs, home-based/home-visitor programs, various combinations of the two, and a few full-day programs for children of working families. Programs are run by Community Action Agencies, non-profit organizations, and the public schools. In some areas, Head Start serves four-year-olds on a contract basis with the public schools.

In recent years, local Head Start programs have been discouraged from providing full-day care to children of working parents so that services could be provided to more children. However, the long-range effects of this policy may well be counterproductive. Consider these contrasting facts: A 1988 study showed that 32% of Head Start parents were working full-time and another 19% worked part-time, had seasonal jobs, or were in school or training programs, for a total of 51% of our parents occupied in meaningful activities outside the home. Yet, figures for 1987-88 show that full-day Head Start services were provided to only six percent of the children enrolled, approximately 25,000 children.

In fact, these figures probably understate the true need for such services. Some Head-Start-eligible families in which the primary care giver is seeking to be able to work or attend school use non-Head-Start child care arrangements which do last throughout the day. However, such alternative services, which may include care by a babysitter or an older child, often do not provide the support services offered by Head Start. If full-day services were available through Head Start, more low-income parents would be able to work or go to school without being forced to chose between a high-quality, comprehensive child development program or a program or care-giver who can provide full-day care. It goes without saying that more families would be able to get off of the AFDC program.

We believe low-income children and their families require and deserve high-quality, comprehensive services and that Head Start's role should be expanded to meet the needs of low-income families who require full-day services.

The National Head Start Association also believes that Head Start has an important role in the development of expanded child care services, and that

Head Start, with its success in working with low-income children and their families, should provide the foundation for extended-day services for low-income preschool children. For this reason, we appreciate efforts, such as The Child Development and Education Act of 1989, which build on Head Start to increase child care services for low-income children.

There are eight points in HR-3 that affect Head Start that we want to speak to: 1) full-day, year round care, 2) the need for comprehensive servicces for all children enrolled in Head Start, 3) the need to serve the low-income children first, 4) consideration of the needs of handicapped children from families just above the poverty level, 5) the need to allow for more than inflationary increases in Head Start in order to keep core services, 6) possible funding for rennovation and construction, 7) staff salaries, and 8) the need for schools to be able to contract with non-profit organizations to care for preschool children.

First, the National Head Start Association would be very glad to be able, under Title I, to provide full-day care and summer care to the children who are in Head Start and to the children of working parents. We have tried to encourage families to get and keep jobs and to gradually work their way out of poverty. Yet, we have had no way to provide them with full-day care or year-round care.

Second, while increasing acceptance of children of working parents into Head Start and providing full-day and summer care are excellent goals, we read the Bill to mean that we could provide only child care for the children of working parents and not the core services we provide to the current Head Start children. It is unclear from the language in the Bill what services which children can receive. Are there to be two groups of children who receive two different levels of service? We strongly believe in uniform services to all children in the program whether the children are currently eligible or on a sliding fee scale. In fact, our Performance Standards dictate uniform services for all enrolled children. For example, we have long worked to assure that children who are Medicaid-eligible receive the same health services as any of the other Head Start children and that they feel no discrimination. All children enrolled in a Head Start program should have the same, comprehensive, services, whether they are enrolled part-day or full-day.

Third, we feel a committment to serve the lowest income children first, the children whose families are at or below 100% of poverty. This is the group of children we currently serve. The language in the Bill should make it clear that new-eligibility children or sliding-fee-scale children would be served only if slots are available after all children at or below 100% of poverty in a program area are served. Money will be needed to provide for core services for these additional children.

Fourth, in the original Head Start Act, Head Start was allowed to serve 10% non-poverty children. Many of the children served in that group are handicapped. Their families are above the poverty line but have medical bills and other related expenses that are greater than those of other families. In some communities there are simply no other services available for these children. If we understand the Bill correctly, under HR-3 these children would still be allowed to be in Head Start, but it seems they would fall under the sliding-fee-scale. This problem needs to be considered so that families with high medical bills are not asked to pay additional fees. Perhaps we could handle this problem in a way similar to that used in the Women, Infants and Children Program, which takes high medical expenses into account when figuring eligibility for the program. Once again, it should be clear that we want to serve all children at or below 100% of poverty first.

Fifth, we appreciate the effort to see that Head Start receives an inflationary increase. However, we feel that this effort could limit our services for the very low-income population we are designed to serve. The language in this section of the bill tends to act as a cap on Head Start's core funds. In the past (except last year) we have been able to increase our appropriations more than the inflationary increase due to strong bipartisan support for Head Start. In this way, we have been able to increase the number of children served and the quality of the services to these children.

Presidents Ford and Carter had recommended increases in Head Start over an eight-year period to make services available to all low-income preschool children. President Bush's one-year effort would give us a good start on serving the eligible children. We don't want the emphasis taken from our basic committment to provide comprehensive services to very low-income preschool children. There is a bipartisan consensus on the need to increase Head Start's core services to serve as many eligible children as possible. We believe it is very important to have a separate Head Start reauthorization with targeted increases each year. In this way, the support can reflect actual gains in Head Start core services. In addition, we believe that Head Start should remain linked to other key programs that help low-income families. We look forward to working with you next year for a higher reauthorization level (since there are still many eligible children for whom services are not available) and feel that the language concerning the inflationary increase would hinder that effort. With this effort and the effort to increase to full-day services, families and children would have truly comprehensive services.

Sixth, under Title II, funding is allowed to be used for renovation and construction by the public schools. Although we understand why Congress may not be supportive of construction costs, we strongly urge you to give the same option to Head Start. If not construction money, then give renovation money to all providers equally. We all face the same problems in finding adequate buildings to use to serve children and in upgrading to keep the facilities attractive and acceptable for use by those children.

Seventh, under Title III, Infant and Toddler Child Care, the issue of salaries for the relevant agencies is addressed. Salaries are also an area of concern for Head Start and should be addressed in the Head Start section. We, too, have trouble with spending years in training staff, getting them through the CDA program or college, and then having them take a job with another agency because they can get a higher salary. Frequent staff changes make children wonder if they did something wrong, when really the teacher just needed a job that paid enough to help get her own family above the poverty level. We understand their desire for better pay, but the turnover and retraining process is difficult for our children, families, and support staff. We would like to be able to get salaries to the point that we are more able to retain qualified staff.

Finally, we also see the need for the schools under Title II to be able to contract for child care with the non-profit agencies which are doing most of the child care in the country. As the new regulations for serving preschool children with handicaps come into effect, there will be more and more need for contracting and coordination between Head Start and the public schools. Currently the language states that coordination be with "other public entities that provide child care and early childhood development programs. . . ", which does not include non-profit agencies. However, in some communities, school systems are already contracting with Head Start programs for four-year-old care.

The provision in Title II stating that the public schools cannot subcontract runs against the approach that has been worked out in many states between Head Start public schools and some child care providers. In a number of states, including Florida, Ilinois and South Carolina, the Department of Education sponsors a four-year-old program, enabling the schools to contract for services with Head Start and other child care programs. In Washington state, the Department of Community Services runs a comprehensive four-year-old child care program contracting for the most part with Head Start and in a few cases with the schools.

These partnerships have been carefully worked out at the local level between schools, day-care centers, and Head Start. We are concerned that this Bill will undo the work that has been done at the local level which has shown that many agencies must play a role in four-year-old care.

We would also like also to share a number of general comments about the other two sections of the bill, Titles II and III. Although these sections do not directly affect Head Start, they do affect services to children, which is a great concern to all of us.

We are pleased to see that Title II allows schools to provide before- and after-school care for school-age children, which are needs not being met in most areas of the country. We feel that the schools should be able to contract with non-profit agencies to provide these services, since many schools may be unwilling to provide the services on their own and non-profit organizations are providing what care there is in many areas.

There seems to be nothing in Title II to encourage or require states to continue programs they already have. We would hope the states now funding programs for four-year-olds could not pull out their financial support.

It seems that HR-3 would fund four-year-olds heavily when there is a desperate need for infant and toddler care throughout the country. For example, there is an unmet need to provide care for infants of low-income teenage mothers so thatthese mothers will have a support system to help them learn child care and child development and to allow them to return to school to complete their degree.

In Title III there is no mention of programs for three-year-olds. It is true that, in many places, Head Start provides for three-year-olds. However, as advocates for children, we are concerned that in areas where Head Start does not exist and is not likely to in the near future, there are children who need services. The same language as in Title II could possibly be used so that three-year-olds could be served where Head Start does not exist.

We, as a Head Start community, are proud of our Performance Standards which mandate the core services I have mentioned and more. We believe that all low-income children in child-care programs should receive similar comprehensive services no matter who the provider is. We further believe that every program which provides services to preschoolers should have to meet at least minimum national standards rather than "applicable State standards."For example, preschool children at risk should be served at no more than a 1-10 ratio and a group size of no more than 20. This is certainly not true of the standards in some states. These ratios and other basic standards should be included in the Child Development and Education Act of 1989, HR3.

In the past, I have expressed concern about child care for children of ALL ages, infants through early teenage years. Child care seems to be a need throughout most areas of the country. Over half of children ages five to eight are cared for by older brothers and sisters. Sometimes even infants are left with older children--because there is simply nowhere else to leave them that the parent can afford. I would like to see Congress change HR-3 along the lines I have discussed and some form of child care legislation passed to rovide infant and toddler care, expanded care for the Head Start age group, and afterschool care to families.

I was a Head Start parent, so I know the real value that Head Start can have for children and families. I have worked with my local program, and now, as President of the National Head Start Association, I have had the chance to travel and to meet people from many Head Start programs. Like many Head Start families, my story is a long and interesting one, but there is no time to share it with you now. It will have to be enough to say that without Head Start, there is no way I could have done many of the things I have been able to do.

Thank you once again for allowing us to comment. We look forward to working with the committee to extend comprehensive child care services to children and families in this country.

Chairman **Hawkins**. Thank you, Ms. Boggus. The next witness is Dr. Alfred Kahn, Columbia University of Social Work. Dr. Kahn, we are delighted to have you before the committee this morning.

Dr. **Kahn**. Thank you, Mr. Chairman and members of the committee. My testimony today is based on studies of child care and a variety of other policy studies that have included child care, carried out jointly with Dr. Sheila Camerman, since the early 1970s.

The most recent book on this subject appeared in 1988 and we continue to monitor developments in the United States and abroad. In view of the limits of time for this initial statement, I shall summarize major points and leave the rest of my written testimony for the record.

As a 42-year professor at Columbia University, I know that students want a break after one hour, and we have been going since 9:30. Therefore, you do not want me to extend too much.

I do need to take a moment, in view of the earlier discussion, to clarify terms and my outlook. In what follows, I use the term child care to include family day care or what you are now calling family child care, I see; Head Start day care centers, preschools, private nursery schools, kindergartens and various kinds of before and after school care for children of elementary school age.

I would like to stress as did the witnesses before me that good child care requires attention to socialization and developmental experiences, to cognitive stimulation, to physical care, to nutrition, to safety regardless of the auspice.

Child care requires these things because children require these things. The dichotomy of education versus socialization development is a false one. It began to be raised in the 1950s when maybe it had some validity.

It has long since then lacked validity for anybody who understands children as is a distinction between developmental and custodial programs. I know that Congressman Edwards made that point this morning, but I think it should be reviewed with him.

The country with the best child development research in the world has no reason to tolerate false distinctions based on protecting turf or to encourage two-tier approaches, one for the educated middle class and another for the poor.

I would like to make a number of points. First, let's build on the consensus that developed in the 100th Congress about the need to act. I appeared before committees in both the House and the Senate during the last Congress.

It is encouraging to note that the President and both major parties see the need to address the child care issue now while there is some dissatisfaction with the data about supply and demand and questions come up periodically.

Although it will be some time before the two much needed national studies, which are now underway, report their results on supply and demand, there is no doubt that the Congress does need to deal with child care.

The debate is now about method or methods, about programs, about pace and about scale. I regard this as a healthy debate. Nonetheless, I would stress the importance of early action by the present Congress.

The resources and programs being discussed here are not theoretical resources and theoretical programs, they are real resources for real children and real families and they are needed.

I am not in the position to do what must be done by Washington insiders; that is to repackage important elements from the several major bills. I was asked, in fact, to talk about essential components not about a specific bill. I intend to do that.

I do stress, and it was very clear this morning, there is enough common ground for these components to be put together. The chairman has taken a lead in encouraging this. He described H.R. 3 as a vehicle crafted for this purpose. It seems to me in that spirit the Congress can move forward.

The next point, Federal government's help is needed to assist some people to pay for child care. The amount of aid should vary by income level, and obviously the very poor need free service.

Now, I do not believe that the Federal government can or should be expected to pay all the costs of filling all the supply gaps. I offer a somewhat longer term perspective on payment and funding.

I do believe that in the long run the 3 to 5-year-olds should be served in the U.S., as on much of the European continent, by public pre-schools; I believe this in Britain to this effect since the early 70s. It is interesting to see that there is now some serious discussion along those lines.

Well, the Federal government can and should encourage this development, should offer support for technical help and start up and help finance enrichment for poverty and minority populations.

This is a legitimate charge as well as on state and local school budgets. A several year phase-in period will be required. States and localities might be offered planning support.

As in many countries, this should be a voluntary, universal, free program guided by localities. Such programs should cover a normal school day with supplementation under one or another auspice.

The supplementary program, covering the hours to the extent to which the school day does not coincide with the work day, should be free to the working poor and only those supplementary hours should be subject to income related fees for others if the state so decides.

Help by the Federal government would be a matter of building on state initiatives. Now there have been important beginnings over the past several years when I remember the initiatives that Gordon Ambach took long, long ago in New York on pre-kindergartens.

I also know that some, in fact many states, are not quite ready for this yet. Some educators out and out do not want it. I also know that what it will require and that it is not simply an expansion of elementary school administration into child care but rather creation of the kind of leadership and administration that early child development programs require.

That is why I stress for the remainder of my testimony state options, diversity, and capacity building in the states to decide what they can do and at what pace and how rapidly. I also would stress that when we say this, we are not talking about infant and toddler care.

We have a lot of experience on the European continent. They may go down to 2 1/2 if there is space. They guarantee space at age 3, but nobody expects educational systems to take care of infant and toddler care. That is why we need the rest of the system that Mr. Ambach was talking about.

Infant and toddler care belongs in nurseries and in day care centers and in family day care homes. They should be subject because they will be part of a broader social welfare system or part of a fringe benefit system or part of a community system. They should be subject to income related, sliding fees.

People are making a choice about their family economy, so to speak. When required for the working poor or for social service reasons, as in the instance of abuse and neglect, and that is rather important, obviously, such programs would continue to be financed out of public social service funds.

A similar approach to funding might be followed for after school programs in support of parental work in those communities whose finances do not permit or whose community policies do not support and enrich free afternoon recreational agricultural offering, which I favor, but obviously it is not possible for some communities.

That might be in community centers, churches, Ys and recreation departments or in schools depending on community preference and possibilities. Where special circumstances dictate, that is, where there are industries of special labor force needs as hospitals, where there are company towns where there are isolated factories related to where people live, obviously companies backed by tax credits might offer on or near site care.

However, most companies might be expected rather to follow the current trends and to support child care information and referral services for employees, resource development, educational programs, capital improvement, recruitment of family day care, which is what most companies are now doing.

Company-based on site care will not meet a major part of the need. It has been talked about endlessly now since 1980, '81, actually since the mid-70s. The overall result has been modest to use a modest word.

The modest funds suggested in ABC and other recent bills for state demand and supplies subsidies would be a significant financing increment in this field, particularly when added to the provision of the Family Support Act of 1988 which, of course, creates a partial entitlement to child care for some people. That would do much to help the supply.

Federal strategies, my third point, should be devised with a view to supporting state capacity building and leadership. If child care is for the long haul and not a sometimes thing, and if we want to build into a coherent system, and if we agree on the need for diversity and state variations and local electives, and you heard an eloquent argument by Gordon Ambach on that, then Federal legislation should help with state capacity building.

States need vehicles for planning and coordination. States need to decide whether and how far to go with the schools and at what pace, how to expand the supply of family day care—it is an urgent need for infants and toddlers now—what local industry might be helped to do and so forth.

In addition to a Federal contribution to the costs of some of the needed child care, states need help in building that child care infrastructure. I would like to stress that there is every evidence that they will take advantage of resources and go further.

The country has not been sitting back waiting for the Federal government. The social changes which have made child care so important, particularly since the 60s, have also generated enormous energies, and through the 70s and particularly the early 80s enormous creativity in the states and localities.

Evidence of this is found in churches, social service agencies, schools, settlement houses and in state and local government. Some large private businesses have also undertaken to help either in their roles as corporate citizens in their communities or by helping their own employees.

Parents and child care advocates have worked diligently. They have experimented. They have invented new ways to assemble resources, to educate consumers, to help parents find programs.

Most of these operations lack resources and therefore cannot do enough. Most of them reflect the lack of state and local governmental infrastructure and capacity and therefore are not adequate.

You see everywhere a need, apart from the cash to help the parents, money for start up resources, technical assistance, training, planning and monitoring of basic standards.

A combination of funds to the states for use of subsidies to consumers and a modest contribution towards planning, coordination, advisory committees and monitoring of standards, training and data collection will go a long way. That is why I support it on behalf of ABC. That is why I testified last year on behalf of ABC.

My fourth point, and it seems especially relevant in view of the discussion this morning, it would not be wise to spend new Federal money in this field without protecting the children whose care is subsidized.

I wanted to say to Congressman Gunderson earlier that I did not come equipped with this information because there has been a strong record made before this committee already. Just for the immediate purpose, I would like to point out that 28 states do not protect parents' rights to drop in unannounced on their children in child care; that 28 states require no training before teachers can work in day care centers, no training at all; and that 19 states allow one care giver to be responsible for as many as 15 or 20 children.

I gather the chair has given you much more of that record, and there are any number of people sitting in this room here who can give you a collection of horror stories in the press.

Now, the current supply is inadequate, partially because there are not enough spaces but partially because of poor quality in states that have low standards and states that do not enforce standards. The word adequacy has two components to it.

The former Secretary of Labor in a speech on March 17th said, and I happened to hear her, that "quality child care must become a national priority."

There are those who object to Federal help on standards because they say regulation reduces supply. Yes, it does. We eliminate dangerous drugs. We eliminate the contaminated food supply. We eliminate the supply of planes that cannot pass safety tests. We eliminate buildings where the insulation does not meet health standards and for good reason.

We need child care but it must be child care in which children will not be abused or endangered. It should be child care in which children develop, learn, socialize and thrive.

Our parents want to be reassured that the country who leads the world in child development research will at least specify a minimum of protections for their children and will be sure that the states and local government have capacity to assure that those protections are in place and are enforced and they do not accept Federal money unless the Federal money can get that assurance from them.

Nobody has ever suggested to me that we ought to have Federal people going around enforcing standards in the states, but rather that the states provide assurance they are enforcing their own standards.

We know enough about the national picture to be worried. I am not going to list horror stories here. The Federal government actually began to lead on standards a decade ago.

In October of '81 we would have had Federal standards, as a number of you recall, and they were eliminated or aborted by OBRA of 1981. At that point, most states actually had anticipated regulations and were close to being or were in compliance.

They were not that unreasonable. They were based not on fantasy but on empirical work which clarified what the minimum standards were that were needed that would protect children.

Millions of Federal dollars were spent on that research and it is on the record. We need a Federal program that will encourage states with regard to standards, that will set a reasonable, modest national floor based on practice and reality, based on knowledge that it can be met, and not the kind of frivolous regulations that will stifle initiative and responsible entry into the field.

We need regulations that make child care more respectable and attractive and give its participants a sense of their involvement and occupation that meets the expectations of parents.

The fact that all states now have regulations is not enough, I stress. Yes, they do, but some of the regulations are below an acceptable floor and some of the regulations are not enforced because the states lack regulation for enforcement capacity.

The Federal government should insist on a modest minimum and also insist that states enforce their standards. The children and parents of America are owed this by the Congress.

There is less need for an active, if modest, Federal presence. I am not going to spell it out because my time is running short, but clearly the Federal government will facilitate this process through financial aid, technical assistance, dissemination of information and assuring that Federal funds are spent according to congressional intent.

My written testimony has a long section on tax credits. I will not read that now. I will be prepared to answer questions about it. I did testify about that issue in the Senate not long ago.

I would stress that none of the tax proposals are a substitute for child care because none of them offer the infrastructure, none of them offer the regulations, none of them offer adequate subsidy.

If you give people $1,000 in the manner proposed, that $1,000 is available to people who earn only about $5,000 to $6,000 under the proposed plan. People at $10,000 income would be about $600 at that proposed plan.

Twenty dollars a week does not buy child care in America and even the slightly larger amount does not buy child care in America. I favor tax credits and I favor a variety of intermaintenance programs for children.

I will be glad to review them because poor families in this country need more money because people we want to encourage to be in the labor force need income supplementation that goes beyond their minimum wages.

We can do that through expansion of the earned income tax credit. We can do it by making the child care tax credit refundable. We can do it in five or six other ways that I would be glad to share with the committee out of comparative international research.

One thousand dollars of tax credit is not a substitute for the various things in the several bills that are here, certainly not a substitute for H.R. 3 or H.R. 30.

Mr. Chairman, I am going to stop at that point, although I have much more to say, but I am watching the time and I am watching the committee's agenda. I will be glad to answer questions.

[The prepared statement of Alfred Kahn follows:]

DEVELOPING A COHERENT STRATEGY -
Moving Forward With Child Care

Testimony prepared for delivery before the Committee on Education and Labor

United States House of Representatives, March 6, 1989

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Mr. Chairman and Members of the Committee:

My testimony today is based on studies of child care and on other policy studies that have included child care, carried out jointly with Dr. Sheila B. Kamerman since the early 1970s. The most recent book appeared in 1988. We continue to monitor developments in the U.S. and abroad.[1]

In view of the limits of time for this initial statement, I shall summarize a few major points briefly and be prepared to respond to questions.

First, to clarify terms and my outlook:

It should be understood in what follows that I use the term child care to include family day care, Head Start, day care centers, pre-schools, private nursery schools, kindergarten, and various kinds of before- and after-school care for children of elementary school age.

Good child care requires attention to socialization and developmental experiences, cognitive stimulation, physical care, nutrition, and safety, regardless of auspice. Child care requires these things because children do. The dichotomy of education versus socialization/development is a false one to anyone who understands children, as is a distinction between "developmental" and "custodial" programs. The country with the best child development research in the world has no reason to tolerate false distinctions based on protecting "turf" - or to encourage two-tier approaches, one for the educated middle class and another for the poor.

1. Let's build on the consensus about the need to act.

I appeared before committees in both the House and the Senate during the last Congress. It is encouraging to note that the President and both major parties see the need to address the child care issue now. While there is some dissatisfaction with the data about supply and demand, and although it will be some time before the two much-needed national studies now under way report results, there is no doubt that the Congress does need to deal with child care. The debate is now about method or methods, programs, pace, and scale. I regard that as a healthy debate. Nonetheless I would stress the importance of early action by the present Congress. The resources and programs being discussed are urgently needed.

I am not in a position to do what must be done by Washington insiders - that is, to repackage important elements from the several major bills. I do stress that there is enough common ground for this to occur, however. The Chairman has taken the lead in encouraging this.

2. The federal government's help is needed to assist some people to pay for child care. The amount of aid should vary by income level. The very poor need free service.

There are those who ask: Why subsidize this particular commodity? Is the decision of a second adult in a family to work not voluntary? A number of economists, have noted that it may be cost-effective for government to subsidize care both to overcome barriers to work by relief recipients and to permit work by the working poor. The subsidy of child care for the non-poor is cost effective if it permits the entrance of women into the paid labor force, thereby enhancing economic growth and productivity. On top of this, the child care investment has pay-off in the learning, socialization, and eventual productivity of children who start out in handicapping environments. The private market may gain from the parental satisfaction with care offered to particular workers who are then better attached to their jobs, but many of the benefits are externalities, benefits for the society as a whole - which should help pay for them.

I do not believe that the federal government can or should be expected to pay the costs of filling all the supply gaps. I offer a somewhat longer-term perspective on payment and funding.

In the long run, the 3-5s should be served in the U.S., as on much of the European continent, by public pre-schools. While the federal government can and should encourage this development, offer support for technical help and start up (and help finance enrichment for poverty and minority populations), this is a legitimate charge on state and local school budgets. A several year phase-in will be required. States and localities might be offered planning support. As in many countries, this should be a voluntary, universal, free program, guided by localities. Such programs should cover a normal school day, with supplementation under one or another auspice. The supplementary program (covering the hours between the school day and the work day) should be free to the working poor and subject to income-related fees for others if the state so decides. Help by the federal government, we stress, would be a matter of building on state initiatives.

While there have been important beginnings over the past several years, I know that some state are not ready for this. Some educators do not want it. I also know that it will require, not an expansion of elementary school administration into child care but, rather, the kind of leadership and administration that early child development programs require. That is why I stress state options, diversity, and capacity-building below.

Infant and toddler care, in nurseries, day care centers and family day care homes, meant to support the out-of-home work option, should also be subject to income-related sliding fees. When required for the working poor or for social service reasons in the instances of abuse, neglect and dependency, such programs would continue to be financed out of public social service funds.

A similar approach to funding might be followed for after-school programs in support of parental work in those communities whose finances do not permit, or whose community policies do not support, an enriched free afternoon recreational and cultural offering in centers, churches, recreation department or schools for their pre-teen children.

Where special circumstances dictate (industries with special labor-force needs, company towns), companies - backed by tax credits - might offer on- or near-site care. However, most companies might be expected, rather, to follow current trends in business and to support child care information and referral services for employees, resource development, educational programs, capital improvement programs, all supportive of community child care. Company-based on-site care will not meet much of the need.

The modest funds suggested in ABC and other recent bills for state demand and supply subsidies would be a significant financing increment in this field - particularly when added to the provisions of the Family Support Act of 1988 - and would do much to increase the supply and solve the affordability problem for some families.

3. Federal strategies should be devised with a view to supporting state capacity building and leadership.

If child care is for the long haul, not a sometime thing, and if we agree on the need for diversity, state variations, local initiatives, then federal legislation should help with state capacity building. States need vehicles for planning and coordination. States need to decide whether and how far to go with the schools, how to expand the supply of family day care, what local industry might do - and so on. In addition to a federal contribution to the costs of some of the needed child care, states need help in building a child care infrastructure.

The country has not been sitting back waiting for the federal government. The social changes which have made child care so important have also generated enormous energies and much creativity. Evidence of this is found in churches, social services agencies, schools, settlement houses, and in state and local government. Some large private businesses have also undertaken to help, either in their role as corporate citizens in their communities, or by aiding their own employees. Parents and child care advocates have worked diligently, have experimented, and have invented new ways to assemble resources, to educate consumers, to help parents find programs for their children.

Many of these operations lack resources and therefore cannot do enough. Most of them reflect the lack of state and local governmental infrastructure, and are therefore not adequate. One sees everywhere urgent need for start-up resources, technical assistance, training, planning, and monitoring of basic standards.

A combination of funds to the states for use as subsidies to consumers and a modest contribution towards planning, coordination, advisory committees, the monitoring of standards, training and data collection would go a long way. That is why I testified in support of ABC last year.

4. It would not be wise to spend new federal money in this field without protecting the children whose care is subsidized.

In part, the current supply is inadequate because of its poor quality. The former Secretary of Labor said in a speech on March 17 that "Quality child care (emphasis supplied) must become a national priority."

There are those who object to federal help on standards because "regulation reduces supply". Yes, it does. We eliminate dangerous drugs, contaminated food, planes that can't pass safety tests, building insulation that can't meet health standards - and for good reason. We need child care, but it must be child care in which children will not be abused or endangered. It should be child care in which children develop, learn, socialize, thrive. Parents want to be reassured that the country which leads the world in child development research will specify a minimum of protections for their children, and will give states and local government capacity to assure them that those protections are in place.

We know enough about the national picture to be worried. In contrast to the quality of Head Start, a program which is mostly for part-day, too many poor children are cared for in an invisible, unlicensed underground. In fact, many middle class children are also. (You are as familiar as I with the horror stories which appear periodically.) Providers, especially unlicensed day care mothers, need help in becoming visible and in meeting standards. Many of them want to and respond to supports and incentives. Eventually, they gain in income and referrals.

The federal government almost began to lead on standards a decade ago. The effort was aborted in 1981 despite a large investment. At that point most states had anticipated the regulations and were in compliance. Current talk about regulations as Doomsday for the states is ill founded. We need a federal program which will encourage states with regard to standards, and will set a reasonable national floor for those who want to qualify for federal funds. That floor should be based on the decades of experience and research that were the basis for the truncated efforts. What are proposed are not the kinds of regulations that are frivolous or that stifle initiative and responsible entry into the field. On the contrary, we need regulations that make child care work respectable and attractive, and give its participants a sense that they are involved in an occupation which meets expectations of parents. The fact that all states now have regulations is not enough. Some of the regulations are below an acceptable floor. Many states lack enforcement capacity. The federal government should insist on a modest minimum and that states enforce their standards. This is the least the Congress owes to the children and parents of America.

5. There thus is need for an active, if quite modest, federal presence in this field.

Would new legislation automatically create a new, unneeded, and self-perpetuating bureaucracy? It is relatively simple for opponents of federal programs to raise the spector of "bureaucratized baby sitting", better done by grandmothers who need no training: "Do you insist on regulating the baby's aunt, just because she is babysitting?" Obviously, families with the option of in-home care by a grandparent or other relatives, or by paid household help, need not use the more formal, regulated arrangements. We are discussing optional programs which parents decide to use. On the other hand, for the reasons suggested, marketplace and non-profit child care programs serving large numbers of children need to be planned, financed, inspected, given technical aid and kept open - accessible - responsible. Like other societal institutions, these could be over-regulated and over-controlled. There is no evidence that is now the problem, and it is certainly not our goal.

I do not propose a federal bureaucracy to run child care (although Head Start is an impressive story). I believe that the largest program for the 3-5s, should be a function of local school boards. However, if that is not the program adopted, such programs as well as center day care and family day care should in any case be controlled ultimately (as is health and education) by state government but delegated to the county and regional levels and run by various non-profit, for-profit agencies, and governmental units alike.

The current problem is not overbureaucratization but, rather, a federal vacuum and the lack of state capacity and infrastructure. Federal leadership and aid might help states get started in surveying their supply, developing strategies in partnership with their localities, helping localities to plan and coordinate, insuring citizen involvement and exercise of choice at all levels. The essential federal roles that are critical are a) financial aid; b) technical assistance; and c) dissemination of information and creating opportunity for sharing and d) ensuring that federal funds are spent in accord with Congressional intent.

6. Tax credits are not a substitute for child care legislation - but certainly would help poor families.

I listened with fascination in late April of last year as one of the members of Congress offered a tax credit alternative to the comprehensive child care bill being considered that day at the Hearing (H.R. 3944). Offered opportunity to comment I noted that the proposed credit was far too modest to be credible as providing parents with an "at-home" option - and that it did nothing to help with the urgent child care needs.

A tax credit can be a useful instrument of family policy, however. My main field of research, the Committee will note, is comparative family policy. Dr. Kamerman and I have documented in detail in a long list of books and articles the ways in which western industrial societies have attempted to buttress family life and improve the economic well-being of families and children. We have shown that it is very desirable and quite possible to decrease or eliminate child poverty and also to supplement the modest earned incomes of low-earner single mothers or low-earners in two parent families so as to encourage self-support. The basic principles are clear: Since salary levels have no relationship to family needs, some form of child or family allowance or child tax credit is legitimate. Since children are a precious resource - the needed workers, citizens, soldiers of the future, it is wise for the community to share in the family's costs of child rearing.

Programs such as the following are used in various countries in efforts to assist with family income and strengthen families with two adult workers - or a single mother who is employed:2

- a children's (or family) allowance or a tax credit covering all children (it could be taxable);
- income-tested housing allowances as an entitlement;
- health service or insurance as an entitlement;
- an income-tested income supplement for low income workers with very young children;
- automatic child support collection from non-custodial spouses and in the absence of ability to pay, a government-guaranteed minimum child support benefit;
- parental post-childbirth leave for 3-12 months with income replacement at 80-90 percent of the portion of the pre-leave wage that is taxable for social security purposes;

- insurance benefits protecting an employee's right to remain at home for a specified number of days each year to care for a sick child;
- an income-tested child allowance supplement for single mothers of young children;

If there is strong political support for serious study of just how the United States might develop an appropriate vehicle for dignified, non-welfare economic aid to families with children, there is much experience to draw upon and many of the options are known. I would applaud such initiative. A $1,000 refundable tax credit is a good start but its impact would be modest. A full program would be far more expensive than the welfare reform passed by the 100th Congress - and far more complex in its challenge to some traditions which have inhibited such action in the past.

A tax credit is not an alternative route to the child care improvements which are urgently needed.

No country anywhere lets a child allowance or tax credit replace or affect availability of a child care entitlement, such as free child care, or a child care tax credit, or a child care fee subsidy.

No matter how structured and how helpful to middle-income people, a $1,000 tax credit would not pay for child care for very low-income people who would be eligible for $600 to $1,000. Those who most need child care would not be adequately assisted. The people who most need aid would not be adequately helped. Increasing the child care (dependent care) tax credit and making it refundable would take us further. However, a tax credit for poor or middle class families would not support the state administration, planning, information-referral, and standard setting which are needed. It would neither create the needed state infrastructure nor fill the federal vacuum.

We already know far too well that the market alone does not create a good child care system. Adding modestly to the demand subsidies of the present child care tax credit will not change that.

In short, "yes" to a tax credit as a first installment on a needed child allowance or help to families with children in the United States. But "no" to a tax credit if it is offered as an alternative child care solution.

CONCLUDING NOTE

The former Secretary of Labor reminded the country of the growth in female labor force participation - indeed of the large-scale participation of mothers of infants and toddlers and its expected continuation. She also noted just how important this trend is for American competitiveness and productivity and of how much it is appreciated by some employers. She highlighted it as "a core rather than a peripheral" labor-management concern and remarked that constructive solutions benefit both management and labor. Nor should child care be viewed as largely "a social issue or a welfare matter." After all, "the greatest number of parents now likely to need child care are, in fact, working parents."

Again, I note that there are different assessments of what government should do, but not about the need for action.

From the point of view of policy, the central conclusion from all of our studies is that child care should be regarded as neither a luxury nor a sometime thing for a few problem families. It is an essential, central, normal, basic component of community life in all modern societies. Child care remains constantly visible and a matter of concern to a large proportion of families with children. It has major implications for the rearing of future generations, and thus for the well-being of our entire society. Thus, child care merits serious attention as well from local and state government and the voluntary sector. The federal government, too, has a vital, strategic role in facilitating sound development.

The reality today is that infants, toddlers, pre-schoolers and school-aged children are more likely than not to have working mothers. About two-thirds of working mothers work full-time. Whether working full-time or part-time, given the increasing absence of at-home grandmothers or other supportive relatives, parents turn to formal child care arrangements. In fact, educated mothers and families with over $35,000 annual income increasingly choose nursery schools for their children whether or not the mother works outside the home. Since most families now are small and neighborhoods are often deserted during the day, parents - whether or not they are in the labor force - appreciate group experiences for the socialization, recreation, and learning opportunities offered their children. Minority parents place great emphasis on access to good-quality early group experiences, since they want their children to avoid the learning handicaps and lack of stimulation which have hampered minority children in the past. Whether or not parents are at work, children take advantage of available after-school resources, again - both for enrichment (tutoring, sports and physical exercise, artistic and cultural programs, nature trips, special group socialization experiences, etc.), or for child care (to avoid being left alone).

In short, child care is no longer a "sometime thing" in child and family experience. It is neither a luxury nor a treatment for problem families. What is a "sometime thing" is national child care policy. Since OBRA 1981 - which led to the dropping of the plan to implement federal day care standards, more than a decade in the making - there has been no national policy presence in this field. States and localities have made heroic efforts to fill the gap, and their initiatives must be further encouraged and protected; but the public response is inadequate for lack, as well, of the needed federal presence and financial aid. Nor has the marketplace response - however valid and valued - been in any sense an adequate substitute in areas dependent on public policy.

I would stress the following:

1) The highest priority is federal financial aid for the working poor and the lower middle class to help pay part of their child care costs. States and localities might choose voucher or direct subsidy programs, depending on their plans. They might develop programs that mix vouchers and direct subsidies, too.
2) Encouragement of school-based development of all-day pre-schools for the 3-5s through time-limited federal research and development activity. This long-term strategy is spelled out in our book, Child Care: Facing the Hard Choices.
3) Encouragement of a major effort by the states, with federal help, to expand infant and toddler care services throughout the country and to ensure its quality. The major shortages are here.
4) Establishment of minimal federal standards of quality and support for states in their standard-setting, monitoring, and enforcement roles.
5) Encouragement and modest help to the states to develop an infrastructure for planning, standard setting, licensing, inspection, and assistance to localities by means of federal incentive grants.
6) Federal technical aid, information sharing, and research and demonstration projects, to be implemented

by the creation of capacity within the Department of Health and Human Services. The federal government should not run child care in any community but it should help states and communities that want help to develop adequate child care by giving them access to resources, knowledge, and opportunity for exchange.

7) Start to look seriously at various kinds of tax credits, child allowances and other forms of income support to help families rear our children well. But do not regard this as an alternative to acting on child care legislation.

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Chairman HAWKINS. Thank you, Dr. Kahn. The final witness is Mr. Michael Schwartz. Mr. Schwartz?

Mr. SCHWARTZ. Mr. Chairman, distinguished members of the committee, my name is Michael Schwartz. I am Resident Fellow in Social Policy for the Free Congress Foundation. I want to thank Chairman Hawkins in particular for his invitation to have me testify this afternoon.

More importantly, I am the father of four children, all of whom have been in day care at one point or another in their lives over the past 15 years. My family personally has experienced most of the kinds of day care that are available on the market. Therefore, I can speak with a consumers perspective to this issue.

I can tell you from that experience that when parents shop for substitute care for their children they have three considerations; the first is accessibility; the second is affordability; and finally reliability.

Accessibility and affordability are really very closely interrelated. If you can afford to pay, a provider will show us. To the extent there are shortages in this country, those shortages tend to be temporary and localized.

Secretary McLaughlin, in her study for the Department of Labor last year, reached this conclusion. So, basically, the difficulties of finding a provider for a child come down to the ability to pay.

However, the question of reliability is much more problematic. Reliability is a very personal judgment that parents make. It is a judgment fundamentally of the trustworthiness of this care giver.

Even when parents hire a babysitter for one night, they want to be assured that their child will be safe, will be happy, will be secure before they entrust their child to the care of someone else for even a few hours.

Certainly, that is an even greater concern when it is a matter of a long term regular commitment to care. Parents have many, many factors that they weigh in judging the reliability of a substitute care situation.

They may want to know who the other children are who are involved, how old they are, how they behave, what the physical facilities are, what kind of meals will be served. I think probably, for most parents, at or very close to the top would be a personal judgment about the character of the care giver, about whether this is the kind of person who will give their child love, who will be a substitute parent in the way of filling that psychological role, who will make their child happy, who will care and spend time with their child.

On the question of reliability, government can only do a little bit. What it can do fundamentally is establish regulations that set certain parameters about the provision of child care.

This is all entirely appropriate. I think states should set regulations about who should offer services on the market. It is a commercial transaction and so forth. A regulation, we must admit, is a clumsy instrument.

A regulation cannot measure trust. It cannot measure reliability. Fundamentally, there is only one judge of the reliability of a substitute care giver and that is the parent. When we look to regulation to take the place of those highly personal judgments, then we get into nothing but gray areas.

Regulations can tell us we can reach a consensus, for instance, on what is a minimum standards, what is acceptable, what ought to be the norm, what is the ideal of any regulated area.

Those intangibles can never be measured. They can never be regulated. That is why relying so heavily on regulation as a measure of ensuring reliability of child care services is inadequate.

It is important now when we look at this question to bear in mind that the issue is not whether there should be regulations or whether there shall not be. All 50 states have regulations. Dr. Kahn noted that they all do. He noted that they are not up to his satisfaction.

The question fundamentally is whether the judgments that have been reached in all the 50 states and in thousands of local jurisdictions among providers, among consumers and among public authorities shall be overridden and replaced by the judgments made by someone at the Federal level.

I believe this is very ill-advised. First of all, we still have, despite Dr. Kahn's opinion, no evidence that the existing standards anywhere are really inadequate. They may not measure up to my standards as a consumer or to anyone else's standards as a consumer, but we have no evidence after all the so-called horror stories that we have heard, after all the real tragedies that we have seen of children being harmed while they are in substitute care.

We have no evidence that this is attributable to bad regulations. All the cases that have come to the attention of me and I think all the cases that have come to the attention of this committee, because I have read most of the testimony, concerns situations in which regulations were violated, in which unforeseeable accidents resulted in harm to a child so the regulations did not cover it because it was the sort of thing that nobody foresaw, or in which the child was in a situation that escaped regulation all together and very frequently without adult supervision at all.

Those are the cases which have been brought before this committee, been brought before the public. We have yet to see an instance where a regulation itself was so lax that it results in harm to children.

So, there is no need, therefore, for Federal intervention under the principle of subsidiary. In other words, reasonable people may and will differ about what state regulations say. We have not yet found a case where state regulations are so lax that they represent a danger to a child and therefore demand intervention from above.

Now, the argument has been made that we have Federal standards for a variety of other issues affecting consumers, airline safety, consumer products, and so forth. There are several differences between consumer protection regulations in those areas and regulations relating to the provision of child care.

First of all, the safety of airlines, the flammability of pajamas, the hazards of asbestos in walls and so forth can be measured scientifically in a laboratory. You know when you have passed the point of safety.

That is not the case when it comes to reliability of a substitute care giver. That is something which, fundamentally, is in the realm of intangibles. You cannot take a day care situation into a laboratory analyst.

Secondly, it would be impractical to have 50 different sets of airline safety regulations and 50 different sets of consumer product safety regulations because these products and services are offered on a national basis uniformly.

Child care is not offered on a national basis uniformly. It is a highly localized, in fact, a neighborhood industry. That is what the whole issue of accessibility is about. It is close to home. Therefore, the regulation ought to be done close to home.

Finally, we know that the regulations already exist. If they are found to be inadequate by consumers, by providers or by the local authorities, those local authorities and local communities are in a better position to change their regulations to meet the needs of the market.

A second significant consideration about the regulation issue is that there is a tension, a trade off between affordability and accessibility on the one hand and between more stringent regulation on the other.

Dr. Kahn noted that in his testimony. It is also clear from the statistics. Those states which tend to have more stringent regulations for child care also tend to have a relatively higher cost for licensed child care or regulated child care and a relatively smaller proportion of all those children in their state who were in substitute care, a relatively smaller proportion are in regulating care.

On the other hand, those states which tend to have looser regulations, tend to have lower costs for regulated child care and a relatively larger proportion of the children available in regulated settings.

Now, I think if the state chooses to go in either direction, to emphasize strict regulation or to emphasize wider availability and lower costs, that is a fair judgment for that state to make.

It should not be second guessed at the Federal level. We can see that if we do that second guessing, if we say that Connecticut's judgment in having stringent regulations is a good one but Florida's judgment in having loose regulations and lower costs and more regulated services available is a bad one, then we see certain consequences clearly follow.

For one thing, in every state where the regulations have to be raised, the cost to providers of providing child care services will become greater. That cost will be transferred on to their clients.

What that means is that with regulated child care priced at a higher level, there inevitably will be a decline in the demand for this particular type of service. More families will decide that they cannot afford to make the choice of a more expensive, more stringently regulated child care. They will place their children in unregulated settings.

That is a decision that those parents take in good conscience. That is their market preference, but it seems to be contrary to the direction that most of the legislation which would make the regulation more stringent intends to take us.

The industry trade journal, Child Care Review, conducted a study last year about the impact of a Federal regulation in one single area, namely staff-child ratios. They found these remarkable findings, I think.

They concluded that the average weekly cost of child care would increase by $6.50 or $350 a year. One-fifth of the licensed providers would go out of business because of the additional cost of doing business. More than 750,000 fewer places available for children and licensed providers would exist.

The impact would be felt disproportionately depending on existing state regulations. Among the states hardest hit would be, for instance, Arizona, where the average cost of child care would go up by over $750 a year; South Carolina, where it would go up by over $1300 a year; Florida would lose more than 150,000 licensed places; Texas would lose more than 250,000 licensed places.

In other words, in those states which have made the decision to offer wider availability and lower costs, the system is working for low income families. They have available affordable, accessible, regulated child care.

If we replace those local regulations with more stringent state regulations, frankly the system will no longer work for families of modest needs. Now, when it comes to reliability, there really is only one measure. It is not how closely you follow the regulations. It is how well you satisfy your client, how much trust your client can place in you, how trustworthy, how reliable, how confidence inspiring you are as a substitute care giver.

Nobody can make that judgment in the final analysis except the family who is seeking a substitute care giver. Now, the family that cannot afford more than, say, $30.00 a week has very limited options.

They have to take whatever is available to them at that rate. The families that can afford $60.00 can afford a lot more and make more choices and therefore, be more selective in the person that they entrust their children to.

The family that can afford $150.00 a week, frankly, has no excuse for being dissatisfied. The problem that we are faced with is that there are far more families who can afford only $30.00 a week than can afford $150.00 a week.

Therefore, it seems to me that the most reasonable thing and the most effective thing that the Federal government can do to improve accessibility of child care, to improve affordability of child care and to improve reliability of child care is to concentrate as large amount of its resources as possible into strengthening the financial position of families who have small children to care for.

They should do this in a way that maximizes the additional purchasing power of the families of modest needs and, in fact, does not bother to transfer any money at all to families who are above the median or close to the median income.

Therefore, I believe that the most effective approach on the Federal level to all three of these questions would be a refundable tax credit available on a universal basis to families with small children.

I think a maximum nominal amount of that credit of $1,000 would seem quite reasonable. I think you can ask any family of modest means whether $1,000 would help them buy better child care. I would be surprised if you do not get an affirmative answer.

The credit should decline as income rises, but the credit also should be available as opposed to the existing dependent care credit regardless of linking the credit to dollars spent for substitute care.

That is true for a number of reasons. First of all, many families find care to their preference outside the commercial market. Many families find more reliable care that might be offered by a relative, by parents juggling their working hours so that one parent is always available for the care of their children.

They may be dissatisfied with what is out on the market. They may not trust anybody other than a parent. They may barter services with neighbors. We have solidarities especially among lower income neighborhoods, lower income families where the tradition of relying on extended families and neighborhood solidarity is a very strong one, a very healthy one.

That is one which is not reached by a tax credit which addresses only cash transactions. We have churches offering services, especially in low income neighborhoods, at below market rates which has certainly made it possible for families of modest means to have wider choices than they might otherwise have available.

For a number of reasons, people are sacrificing additional short term gain of additional income in order to provide better services for their children. That choice ought not to be penalized by the loss of a benefit that would be available to them if they did maximize current income by hiring someone else to care for their children.

In other words, a family as a unit has children to care for and has a living to make. They should not be punished in the assistance that society gives them in caring for their children because they choose to save on spending dollars outside the family for child care or because they choose to forego additional revenue in order to spend more time with their own children.

In my opinion, the best means of addressing the child care problem in our society would be to make families capable of exercising market choices. In other words, those families who make more money should have more money.

Once they have it, the child care providers will rise and the parents will be able to enforce the standards of reliability which they consider of primary importance to their own families.

Thank you very much.

[The prepared statement of Michael Schwartz follows:]

News

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A Non-Profit, Tax-Exempt
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STATEMENT OF: **Michael Schwartz**
Resident Fellow in Social Policy
Free Congress Foundation

BEFORE: Committee on Education and Labor
United States House of Representatives

Hearing
9:30 a.m., March 6, 1989
Room 2175, Rayburn House Office Building

SUBJECT: H.R. 3, the Child Development and Education Act
H.R. 30, the Act for Better Child Care of 1989

FOR RELEASE: **9:30 a.m. Tuesday**
March 6, 1989

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Traditional Values–Conservative Governance–Institutional Reform

Mr. Chairman and distinguished Members of the Committee:

My name is Michael Schwartz. I am Resident Fellow in Social Policy for the Free Congress Foundation. I am appearing here today at the invitation of Chairman Hawkins, and I thank the chairman for that invitation. At Chairman Hawkins' request, my testimony will relate to the role of federal policy with respect to legislation pending before this Committee: H.R. 3, the Child Development and Education Act, introduced by Chairman Hawkins, and H.R. 30, the Act for Better Child Care of 1989, introduced by Representative Kildee.

More importantly, I also am the father of four children, three of whom have been in day care at one time or another over the past 15 years. In my own family, I have experienced most of the common types of child care arrangements, and I can therefore bring a consumer's perspective to bear on the question.

When parents seek substitute care for their children, there are three fundamental considerations they weigh. These can be summarized as accessibility, affordability and reliability.

The first two considerations seem to be fairly obvious. A substitute caregiver must be accessible: near home, near work, or at least on the way between the two points. Any arrangement that entails substantial added commuting time is simply not practical. Similarly, the cost of child care must not take up such a large portion of a family's disposable income that it would seriously diminish the benefits of working.

In reality, these two factors are so closely related that they could be condensed into the single question of affordability. If a family can afford to pay, accessible child care will be available. The market of child care providers is so flexible that it is potentially infinite. Secretary McLaughlin discovered this last year when she developed her report on the child care question for the Department of Labor, and concluded that there is no shortage of child care in the country. There may be temporary, localized situations of care, but the market has proved to be highly responsive to these situations. Where a need appears, someone invariably and quickly moves to fill it.

The question of reliability is more problematic. When parents hire a babysitter for even one night, they want to be confident that their children will be safe and secure. This concern is even greater when it is a matter of entering into an arrangement for substitute care on a regular basis over a long period of time.

This question of reliability is a highly individualized judgment. Most parents have probably experienced child care arrangements which they found unsatisfactory for some reason, and they have shopped around for a better arrangement. The factors parents weigh in making a judgment about the reliability of a substitute caregiver may be extremely varied.

They may be concerned about the meals their children are served or the kind of entertainment offered to them. They may have concerns about the ages and behavior of the other children being cared for. The physical environment in which their children are placed may be uppermost in their minds. Or, in many cases, it may be a simple personal response to the substitute caregiver. If they find a caregiver whom they like, who inspires confidence, who builds a positive relationship with their children, then other, more easily measured factors may pale in significance.

Government is incapable of making these very personal judgments. What government can do, and does, to address the reliability of child care is to establish certain minimum standards for commercial child care. This is reasonable because there are some objective, measurable conditions which a state has a right to demand of those who offer a service on the market.

Yet, it must be admitted that a regulatory standard is a rather clumsy instrument for guaranteeing a satisfaction that depends so heavily on intangible factors. People will have different ideas of what is acceptable, what is desirable, and what is ideal; and most of all, they will have different ideas about who is trustworthy. The main task of regulation is to protect children from foreseeable threats to their health and safety. As regulation goes beyond that point, it becomes a matter of replacing the personal judgment of parents with the abstract judgments of regulators who are not directly involved in the relationship.

Currently, this Committee is considering a bill which would establish certain minimum regulatory standards for virtually all the commercial child care providers in the country. It is very important, in this connection, to bear in mind that the issue is not whether there should be regulatory standards, but whether those minimum standards should be set at the state or at the federal level, for every one of the 50 states already has a set of regulatory standards.

The question, then, is whether federal law, in the interest of increasing reliability of child care, should replace the standards set by the states with standards that are more stringent. I believe that this is ill-advised for several reasons.

In the first place, there is no evidence that the existing standards in any state are inadequate. We all have heard stories about tragedies that have occurred to children while they were under the care of parental substitutes. Many of these incidents have been matters of unforeseeable accidents. Some have involved instances in which regulatory standards were violated. Far more often, they have involved circumstances in which children were placed in situations beyond the reach of state regulation, frequently without adult supervision at all.

In no instance of which I am aware has it been shown that a child has suffered harm because a state regulation that was observed was so lax that it placed a child's health and safety in danger. In other words, while reasonable people may differ about how strict state regulations ought to be, it has not been shown that the regulations of any state are so loose that they endanger children and, therefore, require federal intervention.

The argument has been made that we have federal standards for airline safety, consumer product safety, and environmental pollution, so therefore we should have federal standards for child care. This analogy, however, fails in at least three ways.

First, the safety of airplanes or the flammability of pajamas can be objectively, scientifically and rather precisely measured. But the reliability of child care is not amenable to this kind of laboratory analysis.

Second, it would be neither practical nor in the public interest to have 50 different sets of safety standards for products that are uniformly sold throughout the country. But child care is not an interstate industry. It is a highly localized neighborhood business.

Thirdly, there already are standards in all 50 states, which are — on the record, at least — adequate to ensure the health and safety of all those who are covered by them.

And, so, there is no reason to substitute the judgments of federal regulators for those of the millions of consumers, providers and state and local authorities who have established our existing standards.

A second significant consideration is that there is a tension — a trade-off — between regulatory standards on the one hand, and the cost and availability of child care on the other. The more stringent standards are, the more expensive it is for providers to meet those standards, and the more they must charge their clients. Therefore, we can observe a clear pattern within the several states. Those states with stricter regulatory standards tend to have a relatively smaller proportion of children cared for in a state-regulated setting, while those states with more relaxed standards tend to have a relatively higher proportion of children in regulated settings.

The states have had to strike a balance between maximizing standards at the cost of affordability and accessibility, or maximizing affordability and accessibility by placing fewer demands on child care providers. The people of Connecticut, for example, have chosen to pursue the former course, and the people of Florida the latter course, and both of these decisions deserve respect for they are both honest attempts to serve the public good. It must be noted, however, that a far larger proportion of the children in Florida who are in substitute care are in regulated settings than are the children in Connecticut.

Imposing stricter standards through federal intervention will have at least two consequences. It will raise the cost of regulated child care in the affected states, and it will prompt more providers and consumers to seek out arrangements which escape regulation, leaving a higher number of children in unregulated care settings.

The industry trade journal, *Child Care Review*, conducted a study last year to assess the impact of federal minimum standards on a single aspect of child care: staff-child ratios. That study concluded that the average weekly cost of child care to consumers would increase by an average of $350 per year and that one-fifth of the licensed providers would go out of business, leaving more than 750,000 fewer places for children in licensed centers.

The impact of this single regulatory change would not fall evenly on the entire country. Some states would be unaffected, while others would suffer catastrophic dislocations in the child care market. In Arizona, for example, parents would have to pay almost $750 a year more than they currently pay for licensed care. In South Carolina, the increase in cost would be over $1,300. In the state of Florida, more than 150,000 children would be displaced from licensed care, and in Texas a quarter of a million places would disappear.

In those states which have chosen to emphasize accessibility and affordability by imposing lighter regulatory burdens on providers, licensed child care is plentiful and cheap. The system is working for families of modest means; and under federal regulation, it would stop working for them. They and their children would be hurt by strict federal standards.

In the final analysis, even the most stringent standards do not guarantee reliability, because trust is something that cannot be imposed by regulation. What works far more effectively than regulation is consumer choice. Where competition exists, consumers can ensure satisfaction by taking their business elsewhere if they lose confidence in a child care provider.

But in order for the market to work this way, the consumers have to have the financial means to exercise choice. The family that simply cannot afford more than $30 a week has very limited options. The family that can afford $60 a week will have more choices open. And the family that can pay $150 a week will have no problem finding care that meets their requirements. The problem is that there are a lot more families in the $30 bracket than in the $150 bracket.

Families of modest means have little choice except to take what is available at the price, and often that is not entirely satisfactory. One fortunate mitigating circumstance is that churches, particularly in low-income neighborhoods which for-profit providers would not find attractive, have been generous in establishing child care programs at below-market cost. This has cushioned the hardship of meager resources for thousands of families in a way they find highly satisfactory. In addition, the natural solidarities of extended families and neighborhoods have enabled families of modest means to find reliable child care at low cost. Yet, despite these bright spots in the picture, the one element that assures parental choice and gives parents real leverage over the reliability of child care is the ability to pay.

For this reason, it would make more sense to commit the resources of the federal government toward strengthening the financial position of consumers instead of restructuring the industry. Putting money into the hands of parents obviously addresses the question of affordability. But for that very reason in also addresses the other two issues. When parents are able to pay for child care, providers emerge; child care becomes accessible where it may not have been accessible before. And when parents have the means to choose among providers, they are able to demand standards of reliability that they find satisfactory.

The current dependent care credit in the tax code is a well-intentioned effort to do just this. But for a number of reasons, that credit fails to help most of those families most in need of help. The main weakness of the credit is that it is keyed to spending money for child care: in general, the more you can afford to spend, the larger your credit will be. Families of modest means would find it more in their interest to spend as little as possible for child care and forego the benefits of the tax credit, rather than to take fuller advantage of the credit by spending more.

The way out of this dilemma is to break the link between receiving the credit and spending money for substitute care. There are many parents who rely on non-monetary child care in exchange for some other service they can provide the substitute caregiver; parents who adjust their working hours — often sacrificing additional income and leisure time in the process — in order to ensure the presence of one parent at home all the times; parents who work at home and care for their children at the same time.

Not everyone, of course, is in a position to do this. But those who do should not be penalized by the denial of a benefit which they would qualify for if they hired someone else to watch their children. They are often people who place the welfare of their children above short-term economic gain. In general, their children are better off because of the sacrifices their parents make. And they are, in effect, reducing the burden on the child care industry, thereby helping to keep accessibility up and costs down for those families who do patronize commercial child care providers.

The equitable approach to this, then, is to provide an income supplement to families with young children in the form of a refundable tax credit. This credit should be scaled inversely to income, so that those with the greatest need would receive the most assistance, and it need not be offered to families who earn significantly more that the median income, since that would amount to a transfer of income from the less affluent to the more affluent. Clearly, budgetary considerations will determine the size of this credit and the number of families who will be eligible for it, but I would recommend that federal resources be stretched as far as possible to strengthen the economic position of families with children.

A credit of $1,000 per child for families earning near the minimum wage level, phasing out at, perhaps, $115 of the median income adjusted for family size, would give virtually every family the means to provide its children with reliable care. The credit could be reduced for school-aged children, who are in less need of care because they spend most of the work day in school. If it is linked with the earned income tax credit, this credit can also contribute indirectly to the goals of welfare reform.

Most of all, this solution goes directly to the heart of the problem, which is the financial security of families with children. The only reason why parents have to seek out substitute caregivers is so that they can be free to earn enough money to support their children.

Enhancing the income of families with children will do more to help improve the quality of life for children, and do so more effectively, than any other step that can be taken by government.

Thank you very much.

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Chairman **Hawkins**. Thank you, Mr. Schwartz. Dr. Kahn, in your testimony and also the testimony of Ms. Boggus, there seems to be somewhat a difference of opinion in terms of the mix that would be provided in the program.

The proposal attempts to provide a mix by including those who are able to pay but providing for a sliding fee which is set up in the proposal. You seem, Dr. Kahn, to agree with that idea. Ms. Boggus, however, says that that would deny the poor the slots.

She would, in effect, as I understand it, eliminate the sliding fee on the basis that then more children of low-income would be served.

The committee in the past has attempted to provide for an economic mix on the basis, not only that it is also good from an educational point of view, but we found that in most of the programs that it is necessary to have paying customers, as it were, in these programs in order that even the poor children would be served.

We faced that in the child lunch program, for example. We found that if the child lunch program provided only for those who were given the free or limited school lunch programs, that the infrastructure would not be served.

I guess, Ms. Boggus, the question should go to you. Have you considered the fact that it is necessary to have in many instances those who are able to pay something towards the upkeep of a child care center in order to provide some of the infrastructure costs of the center so that it then would be available to others?

It seems to me you were being rather critical of that approach. I might suggest that we found the sliding fee scale to be desirable for not only that reason but also for a somewhat political reason of getting the greatest support in a body for any child care program at all. We find that if a program does not extend to others who are not directly involved in low-income constituency, you lack a wide constituency needed in order to get the most support.

I am wondering whether or not you have given consideration to that?

Ms. **Boggus**. Yes, sir. We are not eliminating that aspect of people that can pay. All we are saying is that we want to make sure that it is clear that the children at the least poverty are served first. We support that.

Chairman **Hawkins**. Well, in serving them first, it would usually be that they would be the only ones who would benefit from it because you would always be able to get enough of that group to fill up the center.

Now, assuming that that is from a practical point of view, the general situation, do you feel that your idea would be practical?

Ms. **Spears**. We have tremendous waiting lists of the near poor, as we call them, that is your proposal, Mr. Chairman, that we have to turn down because they are the near poor. They have no services.

In my area, they have absolutely no services. They do not qualify for anything. They are caught in the middle. We would welcome those children. We are just saying that we would like to make sure that we serve the poorest of the poor first. That is all.

Chairman **Hawkins**. The only thing I am suggesting is would you believe that it would be wise to give some consideration to the fact that——

Ms. **Spears**. Yes, sir.

Chairman **Hawkins**. [continuing] if the program is so confined, that it is not likely to be financially viable in many instances and do you agree with us on some flexibility?

Ms. **Spears**. Oh, yes. That is the reason I was saying that we would welcome the sliding scale fee to serve the families that are out there not getting served as well as to help serve us to the economics of Head Start.

Chairman **Hawkins**. Well, all I am asking is to give some thought as to why we included that in our proposal. It was not to eliminate those individuals on your long waiting list, but it was perhaps to serve a few more of them on the waiting list by including some paying customers in the program.

Mr. Schwartz, on page 5 of your testimony, you state—and this is a direct quote—"A credit of $1,000 per child for families earning near the minimum wage level, phasing out at, perhaps, $115 of the median income adjusted for family size, would give virtually every family the means to provide its children with reliable care."

The statement seems so preposterous to those of us who have gone through these hearings that I thought maybe you could clarify that. Given that the average cost of child care in this country is much above $1,000, as a matter of fact, the testimony is that it is near $3,000, and while for infants and toddlers it is a lot more than that, I cannot understand the rational behind statements such as you have given to us.

Knowing my own constituency and if given $1,000, what they would spend $1,000 on, I can assure you child care would be about the fourth in order. First of all, the landlord would be there to collect for the rent; the food on the table would be of great concern; health costs and so forth.

I suspect that we would not be talking about child care. I would not mind giving that $1,000 to that family, but it would not go for child care. I just cannot understand the rational behind a statement of that nature. I have never seen any evidence that it would operate.

Mr. **Schwartz**. I am willing to go a lot higher than $1,000, Mr. Chairman. Let me address those two questions. First of all, you have suggested that many people would use $1,000 tax credit for some other purpose, to pay the rent, buy better food and so forth. I say, fine. That is all for the welfare of their children. They are in the best position to know what their family needs most.

As to the other question, would $1,000 help people have broader choices in child care, I am quite certain that it would. That does not mean that it will pay for whatever is the median.

It does not mean that it will pay for some kind of Montessori School that may cost a lot money. An additional $1,000 per child in the family budget in a family of modest means would, I believe, make a great difference between being able to afford dangerous inadequate care, if that is all they are able to afford, and being able to afford something that they are satisfied with.

I believe if you question your constituents, they probably would give you the same kind of response.

Chairman HAWKINS. I do not object to theory of being given the $1,000. I just say it is not going to be a child care program, I can assure you, in most instances. That is what we are trying to enact, a child care program.

Dr. Kahn, I would appreciate your comments given your experience, as to how such a credit would operate.

Dr. KAHN. Well, I try to figure out who would get it, as I suggested in my testimony. You can make a number of guesses. It looks as though, by any guess you can make on how tax credits run, you would give $1,000 to people earning between $7,140 and $8,000.

If you did that, you are not going to expect those people, as the chair pointed out, to spend it on child care. They do not have enough money to eat and to dress their kids with and to pay their rent.

They will say thank you and they will spend it as best they can and they will say now we need help for child care. So, all the other things on the table would still have to be dealt with.

A family earning $10,000 a year would get $600; that is $12.00 a week on almost any kind of precedent on how you compute a child care tax credit. The chair used the word preposterous. I would not have had the nerve to do it up here, but I would like to now repeat it.

Mr. SCHWARTZ. May I respond, Dr. Kahn?

Chairman HAWKINS. My intention was not embarrassing the witness for who suggested a tax credit in terms of child care. I was describing it as being preposterous as a sole child care proposal—not that it is undesirable, not that it is a wild eyed scheme.

It is something that I think we could support as part of a package, but certainly at a minimum including a child care program along with the $1,000. That is all I am suggesting.

Dr. KAHN. Mr. Chairman, just to supplement, my testimony, which I did not read, has four full pages on the need for child care tax credit and other devices for getting income to families whether the mother is at home or working.

There is no question that we need to do a lot to support families in America. This is the time to do it. I would hope that at some point as part of the activity in this Congress, that will all be on the agenda.

I only made my point with reference to seeing this as an alternative to paying attention to what is in H.R. 30 and H.R. 3 and some of the other things that have been put on the floor this morning.

Chairman HAWKINS. Mr. Smith?

Mr. SMITH. I have a question for Dr. Kahn. I appreciate what you just said because it strikes me that what we are after is a blend of services and support that try to strengthen not only families and parents and choice but also on the receiving end, if they are descending it, the options that need to be there.

I would like to pursue, really, I think what I understood you—I know I understood it; I do not know if it is what you meant—the question about down the road, public preschool ages 3, including ages 3 and 4.

I think it bears to some extent on the chairman's question to the Head Start people just a minute ago having to do with the viability of their program if, in fact, the vision is for some kind of an institutionally based preschool program down the road.

I guess my first question is, how do you see those two things working together? In my particular bias, if you will, in this case is that I think in the dialogue that we just listened to, we heard the first example of a group of people say yes, we need more money to do the job we are set up to do.

There is, I think, a lot of data to suggest that the Head Start program, frankly along with legal services and a few others, have really stood the test of time in terms of making a difference in the sense of power that low income parents have over their lives and responsibility for their childrens' lives.

When they hear or feel that that may be being bled off a little bit, they get nervous. I remember the wars as schools tried to control Head Start, 18 and 20 years ago. Colleges tried to control Head Start. A lot of smart people, most of them went to college once, tried to control Head Start.

Head Start parents said let us do it. That was the genius of the program. I see that at risk. I need to hear you tell me why it is not. If we have more money for a sliding scale, do you have more people into the program?

That is a different idea. We almost never end up, as we broaden the pool, with more money. You really do not, and you know it on a unit by unit basis.

Why shouldn't these women and the men and women and children they represent be very nervous about a public preschool vision when they look at the reality of what has happened to their children in the existing public school system?

Dr. KAHN. Mr. Smith, I think those are very thoughtful issues. There was some of it in the interchange this morning between Mr. Ambach and Mr. Williams as well as you know. I think in the long run, I do not like the idea of dual-tier systems in America whether it is for education or for child care.

I understand targeting and I was very much involved and supportive of the effort early in the poverty war to create Head Start. I helped set up the first summer in New York. I was part of the curriculum committee, as a matter of fact way back.

I have supported Head Start all through the years. We need targeting because we have to guarantee space. Head Start has been exemplary in many places. It has been limited in others. It is trying to go beyond.

It was developed in a period when most mothers were at home. Now most mothers, including Head Start mothers, are working. It is due for change. It needs to become an all day program.

We now know that if a mother is in a family of $35,000 income or has a college education and has $25,000 income, her kid is in a nursery school, a private nursery school if not a public preschool.

People who are educated and who understand child development and want to give their children opportunities, want access to some kind of a program of that sort. Similarly, poor mothers, the Head Start mothers, want their kids not to get trapped in what they have seen other people trapped in all around. Then they want that opportunity.

I think putting that together can give us something that will move towards a universal program. I would not do that in any way to undermine Head Start, to threaten Head Start, but I would ultimately hope that I would create the preschool alternatives in the public school system.

I would build them up. New York City is now promising an entitlement to all 4-year-olds that has made a fair amount of progress. Missouri and Minnesota, through other devices, are making small progress but are making progress in those areas.

Let's move through the preschool, pre-kindergarten for the fours. Let's move through the thing for the threes. Let's give the states enough flexibility and enough planning capacity with parent participation and advisory committees to decide how to put that together, never undermining the protection that is needed for those who are now in Head Start.

Mr. **Smith**. My concern, and I think as I said before, there is much about this bill, much of the thinking that I like if we finally decide we can afford it. I do not see a two-tiered system. I see a diverse system, a system of dissimilar parts.

I think that the question that we have to come to grips with—and I would be interested in your comment on this—is that if we set up a system as I understand is represented primarily by the ABC bill, to some extent by some parts of this, the National State Standards part, we literally create a system that we had in Vermont eight years ago where parents have a choice of getting alone, if they could, which, in the case of the people we are talking about, is not a reality, or breaking the law, that we drive care giving underground in the name of progress.

It is a little bit like raising people's property taxes to fund public schools and then forcing them to sell their homes because they cannot afford to pay the property taxes, but we did it for them because they were the poor members of our communities.

It is not what we intend, Dr. Kahn, but my real concern is that we would end up in a situation which we discovered in our state several years ago where the law did not account for the preponderance of activity that parents undertook for their children in care giving situations.

We had to them move out and redraw and try to figure out because if they were forced to play by the rules that we had created, they could not afford it and the money was not there.

Dr. **Kahn**. Well, they could not afford it whether they played by your rules or by no rules. I was astounded to hear Mr. Schwartz say that the states with the more stringent regulations have the higher costs. Then he attributed the higher costs to those regulations.

They happen to be the richer states and the richer states have economies that produce higher salaries and higher costs. There is not a study in the literature that shows that the higher costs have created smaller percentages and regulated care.

I take you on a tour through Mississippi, Texas, Arizona, South Carolina, and start counting or look at our child care facing the hard choices that took such a tour. It is simply not true that we have more unregulated care and more underground care as standards are up.

Nobody knows that because nobody has a census of underground care. We do have a census of care that the states know about and we even know what the standards are that are not being enforced.

Mr. **Smith**. With due respect, this is not a formal census, but we passed legislation in 1981 in Vermont to create a new sector of care to make legal what was, at that point, illegal activity with very moderate regulations.

We have now surfaced in seven years over 1,000 homes that provide more than half the child care in the state of Vermont in the last seven years. Most of them say they have been there doing it for a long time.

I am not making Mr. Schwartz' argument. In part, I might, but that is not my purpose. My purpose simply is to wonder where and ask you to think about a system which literally creates parents, gives parents the choice of breaking the law in some cases or doing nothing for their children.

That is what a system created that is not sensitive to the different local needs and interests that parents have can do. I think it does happen.

Dr. **Kahn**. I am not interesting in such a system. I am interested in pulling together the national experience in all the states on standards, clarifying what has a scientific empirical base.

If I can just comment, Mr. Schwartz announced that there was no base for many of the standards. I speak as a seven year member of the Committee on Child Development Research and Public Policy of National Academy of Sciences and as its chairman for a full term who has rotated off awhile back.

I can tell you that we have standards that are empirically based. What happens to kids in what kinds of groups and in what size groups? What happens to kids if they are cared for by people without education, the difference and interaction of children in groups, the different in nature of the experience in the course of the day.

If you could ask me to prove that when they became 30 years old they were criminals, it has not been followed that far. We had the best research that child development could invent in the 70s. It came out with modest standards.

Also ask the fire underwriters if they have an empirical base. Ask the public health officers who care about hepatitis if they have an empirical base. I am suggesting, and I am really with you, Mr. Smith, that we find with sharing of state experiences, merging their consensus, that we hit on a reasonable minimum that is not going to close child care, that the states are going to be able to work with, and make that what we do, phase it in over four or five years, and then regard the Federal money as providing capacity to help child care providers reach that level because of the way in which we subsidize demand as well.

We cannot be precious to a point of closing out parents and closing out supply, but we can be insensitive to the point of endangering children. There is a point in between. It is not going to happen just by the Federal government saying to the state you do it.

We know, and I have visited child care in all the states that I visited, that I listed, we know what happens. We do not take a survey done by people in the industry who are agitating and acting against child care standards and announce that that is a way to predict what will happen if you introduce standards.

That is essentially what was done in the Schwartz testimony. Of course, those people do not want to pay higher standards. Of course, most of the chains exist below standard chains in states that do not enforce standards.

On the other hand, do not act as though this is a neighborhood operation. When one chain has 11,000 child care centers and another is in the 1,000s, and when the numbers are growing, we cannot simply believe this is a matter of individual neighborhood providers setting up standards.

We also have a national industry and we have national standards and national places that train people. I think that the Federal government with very modest standards and insistence that the states enforce them and with spending three or four years before the states have to even know what the standards are and building with what we know is possible without creating negative results, can take modest starts the way it has in many, many other fields, whether from airline regulations to taking care of the asphalt on those public roads that were mentioned this morning, without pricing people out of the market and without forcing people to have cars that do not worry about pollution.

We bought some inefficiency, and Mr. Schwartz talked about inefficiency in order to protect the environment. So, let's buy some slight bit of inefficiency in order to protect the children.

Mr. **Smith**. Yes, thank you.

Chairman **Hawkins**. Mr. Smith, we can get back to you. Mr. Williams?

Mr. **Williams**. Thank you. Dr. Kahn, clarify for me, if you will, a statement you made at the opening of your testimony in which you took some exception to what you understood to be Congressman Edwards' distinction between custodial care and education.

Congressman Edwards said this, "I am convinced we must move the debate beyond custodial care. The child care question is an education question pure and simple." Would you respond to that?

Dr. **Kahn**. The child care question is not an education question pure and simple; it is a question of socializing children, developing children, taking care of children, nor is it just socializing and developing and taking care of children. It is also providing the children with growth experiences.

Mr. **Williams**. So you see a distinction between developmental and educational?

Dr. **Kahn**. No. I believe that decent education is developmental and decent developmental services are also educational.

Mr. **Williams**. Well then, I think you and Congressman Edwards would agree then? That was the point he was trying to make.

Dr. **Kahn**. Yes. I am not sure because I think that the term has been used traditionally to announce that the school-based programs are always superior. The ones run by social welfare people are always inferior. That is the history of those words in this debate.

If what Congressman Edwards meant is the recognition that there is no distinction, then obviously I apologize to him.

Mr. **Williams**. I do not suggest that an apology is necessary. See, there is another distinction that becomes very critical to us and that is if it is custodial care, then money directly to the churches to provide that care probably meets constitutional muster.

However, if it is education or developmental care, then money to the churches to provide that care probably does not meet constitutional muster. That is the distinction that Congressman Edwards was making.

Dr. **Kahn**. I will not enter into that. I am not a constitutional lawyer, but I did appreciate the testimony of Mr. Ambach and the exchange. It seems to me that the Congress has had enough experience with Head Start, with Title XX, with Follow Through, with a variety of programs for the handicapped and that there must be some way for that to be solved.

I appeal to the Congress to do that. We do not want to go through another congress without legislation.

Mr. **Williams**. Thank you. Thanks to each of you. Thanks, Mr. Chairman.

Chairman **Hawkins**. Ms. Unsoeld?

Mrs. **Unsoeld**. Thank you, Mr. Chairman. I want to make sure that I understood Mr. Schwartz. The $1,000 per child credit that you spoke of, I believe you said that it might make the difference between a parent being able to purchase good child care rather than unsafe child care.

Mr. **Schwartz**. Yes.

Mrs. **Unsoeld**. If there is unsafe child care out there, doesn't that indicate we really do need some standards?

Mr. **Schwartz**. Representative Unsoeld, there are a lot of children who are cared for in situations that escape regulation, that are unregulated. These generally are less expensive than the regulated settings.

I mean, we have all heard about these—you were not here last year during these debates, but we all heard a great number of very sad stories about people who were too poor to afford reliable child care.

They, in desperation, went to places that did not provide good care for their children or left their children unattended at all.

Mrs. **Unsoeld**. That would seem to me to indicate a need for some minimum national standards that could be applied wherever there is an exchange of money for the service.

Mr. **Schwartz**. Representative Unsoeld, the argument that I made is that if we had national standards, then those states whose current standards are below the national standards would probably see a shift in the enrollment of children away from licensed providers to unregulated providers because of the increase in costs that those standards would carry with them.

Mrs. **Unsoeld**. I would like to direct a question to Ms. Boggus, please. The Head Start program, seems to me, has probably some of the most stringent standards of any Federal programs.

Those that are advocating that we do not have a need for standards in child care stated that those standards would drive up the cost of child care and greatly reduce the supplies of child care.

Is there any indication that or do you feel that the stringent performance standards of the Head Start social service program is—

perhaps you can just comment on that, as to whether you feel that it has somehow restricted the program or driven the cost up.

Ms. BOGGUS. No, it has not. The standards have not restricted the program. The standards have helped keep the program—the flow—it is better to have standards, some kind of standards to keep things in place.

Mrs. UNSOELD. If you had to choose, and Heaven forbid that this has to be the choice, between eliminating standards in an effort to bring costs down or in order to place more children, would you vote to eliminate the standards?

Ms. BOGGUS. No, I would not.

Mrs. UNSOELD. The standards really do, in your estimation, serve a valuable purpose for the overall program and the quality?

Ms. BOGGUS. Yes.

Mrs. UNSOELD. Thank you.

Chairman HAWKINS. Again, I wish to thank the witnesses. You have been very attentive and helpful to us. There has been a little conflict among all of us, but I think in the end we can reconcile the differences.

We certainly appreciate the witnesses and the members sticking with us through a long morning and early afternoon. Thank you. That concludes the hearing of the committee.

[Whereupon, at 1:00 p.m., the committee was adjourned.]

CHILD CARE

WEDNESDAY, APRIL 5, 1989

House of Representatives,
Committee on Education and Labor,
Washington, DC.

The committee met, pursuant to notice, at 9:40 a.m., in Room 2175, Rayburn House Office Building, Hon. Augustus F. Hawkins [chairman] presiding.

Members present: Representatives Hawkins, Kildee, Williams, Martinez, Owens of New York, Hayes of Illinois, Perkins, Sawyer, Lowey of New York, Poshard, Unsoeld, Jontz, Roukema, Gunderson, Tauke, Ballenger, Smith of Vermont, and Petri.

Staff present: Susan McGuire, staff director; Carole Stringer, legislative analyst; Richard Johnson, general counsel; Jack Jennings, counsel; Gail Perry, legislative associate; Kris Moore, assistant to the general counsel; Andy Hartman, minority staff director; Carol Lamb-Behrer, minority professional staff member; ans Susan Wilhelm, staff director, Subcommittee on Human Resources.

Chairman **Hawkins**. The Education and Labor Committee is called to order. The hearing this morning is a continuation of the child care hearings that we have been holding for the past several months. I assume no official statement is needed to explain that this is a continuation in the series of hearings.

We do have a group of distinguished witnesses this morning. We will proceed to hear from them. The Chair would like to announce that the witnesses will have their statements entered into the record in there entirety. Therefore, to the extent possible, we hope the witnesses would summarize from the statements by giving the highlights so as to permit questioning of the witnesses from the members of the committee.

The first panel will consist of Mr. Ken Melley, Director of Government Relations, the National Education Association and Ms. Millie Waterman, Vice President for Legislative Activity, the National Parent Teacher Association.

Will those witnesses whose names were called kindly be seated at the witness table? We are delighted to have both of you appear before the committee this morning. You are not strangers to the committee. We look forward to your testimony.

Mr. Melley, I guess you were named first, so we will hear from you and then after that from Ms. Waterman.

STATEMENTS OF KEN MELLEY, DIRECTOR OF GOVERNMENT RELATIONS, NATIONAL EDUCATION ASSOCIATION; MS. MILLIE WATERMAN, VICE PRESIDENT FOR LEGISLATIVE ACTIVITY, NATIONAL PARENT TEACHER ASSOCIATION

Mr. MELLEY. Thank you, Mr. Chairman. I am Kenneth Melley, Director of Government Relations for the National Education Association. I appreciate the opportunity to speak with you about the need for a comprehensive national policy on child care and early childhood education.

NEA strongly supports the Child Development and Education Act. We commend you, Chairman Hawkins, for your leadership in developing a balanced approach to America's child care and education needs.

NEA believes that an effective child care policy must concentrate its resources on child care for low-income families and must build on existing programs including those in the public schools.

It must establish high standards including certification requirements for child care providers. It must assure that health and safety of children is secured. It must coordinate child care services with education and, when appropriate, other social services.

H.R. 3 would meet these criteria. Some have advocated tax changes to expand access to child care. changes in the tax policy would do nothing to assure quality, health or safety. It would do nothing to increase the availability of child care.

Moreover, a tax credit that would give disadvantaged families relief only after they have had to pay for child care over the previous year is of dubious value. Congress should not support just any child care program.

It must lead. It must prevent the use of Federal funds for sectarian activities or to subsidize discrimination in enrollment and employment. NEA strongly supports the provisions of H.R. 3. That includes statutory prohibitions against Federal aid through religious oriented programs and discrimination of any kind.

We are also pleased that the measure would not resort to vouches or some other mechanism that might weaken the protections against church, state entanglement and discrimination. Congress should also exert leadership in the design of child care.

NEA has long recognized that quality care can make an essential difference in the academic achievement of children and their success throughout life. At present, the children who are the most in need of access to quality child care programs are the ones least likely to have access to the services they need.

Child care efforts within most communities are too fragmented to provide low income children the kind of sustained help they need. There is no question that child care programs are likely to expand to meet demands of the marketplace, but our nation must support a coordinated, integrated effort.

When there is lack of continuity in the home and in the community, young children have an ever greater need for continuity in a coordinated child care effort. Both research and experience tell us what the components of a quality child care program are; a qualified provider, optimum class size for the age group, developmentally appropriate curriculum, high standards of health and safety, coordination with feeding programs and health services.

H.R. 3 concentrates on these very elements. A recent investment would build on existing resources, both facilities and personnel. Increasingly, the public schools will play a key role in the full range of child care services.

We need programs to meet the needs of latchkey children and to prevent teenage mothers from dropping out, to provide better coordination for nutrition, health and other family support programs essential to education improvement and to maintain a strong link between early childhood development and high academic ideals.

For too long, our nation has allowed disadvantaged children and youth to fall through the cracks, not only economics but justice demands that we act. A number of important child care bills have been introduced into the Congress.

It is our hope that the Congress will bring together the best elements of these in crafting a package for enactment. NEA believes that H.R. 3 is the best, most balanced, most comprehensive approach to our nation's needs.

H.R. 3 would provide a framework to strengthen the links between child care and education. It would bring together existing programs and direct them toward a common goal, preparing young children for school.

We support the enactment of H.R. 3 and we look forward to working with you on this and other important issues. Thank you, Mr. Chairman.

[The prepared statement of Kenneth Melley follows:]

LEGISLATIVE INFORMATION

TESTIMONY
OF THE
NATIONAL EDUCATION ASSOCIATION

ON THE
CHILD DEVELOPMENT AND EDUCATION ACT

BEFORE THE
EDUCATION AND LABOR COMMITTEE
U.S. HOUSE OF REPRESENTATIVES

PRESENTED BY
KENNETH F. MELLEY
DIRECTOR, NEA GOVERNMENT RELATIONS

APRIL 5, 1989

MARY HATWOOD FUTRELL, President • KEITH GEIGER, Vice President • ROXANNE E. BRADSHAW, Secretary Treasurer
DON CAMERON, Executive Director (202) 822-7300

Mr. Chairman and Members of the Committee:

I am Kenneth F. Melley, Director of Government Relations for the 1.9 million-member National Education Association which represents professional and support public education employees in elementary, secondary, vocational, and postsecondary schools throughout the nation. I appreciate the opportunity to speak with you about an important national issue: the need to establish a comprehensive national policy for child care and early childhood education.

NEA strongly supports the Child Development and Education Act, H.R. 3, which would expand service levels under Head Start and establish or support school-based child care and development programs, as well as infant and toddler child care. We commend you, Chairman Hawkins, for your leadership on child care and the important work you have done in developing this balanced approach to America's child care and education needs. NEA endorses the concept of building on existing child care programs in public schools, community and recreation centers, other state and local facilities, and private child care programs, and strengthening the link between child care and education.

The need for child care

The recent national interest in the issue of child care has caused Members of Congress and the American people to ask, "How deeply should the federal government get involved in child care and early childhood education?" Economists tell us that the need for child care in this country is related to demands of the marketplace as more and more women, including mothers of young children, enter and stay in the workforce out of their own economic need and the demand for labor. At the same time, psychologists and educators tell us there is an inextricable link between the quality of attention young children receive and issues of school readiness, intellectual development, self-esteem, and social skills. Moreover, social scientists tell us, and history has taught us, that there is a close relationship between the opportunities provided young children and the ability of a nation to extend full economic opportunity to all its citizens. These links point to only one conclusion. If our nation is to meet its economic needs, present and future, and if our nation is to continue the drive toward educational excellence and equity, and if our nation is to be a bastion of social justice, then we must, as a nation, develop a national policy that will enhance the educational and developmental opportunities available to all young children.

Any child care legislation enacted in the 101st Congress must provide meaningful assistance to low-income families to expand access to quality child care, including preschool and before- and after-school programs; assure high standards of health and safety, certification for providers, optimum class size, and appropriate developmental curriculum; promote effective involvement of public schools; and include strict statutory protections against church-state entanglement or discrimination in enrollment or employment.

Provisions of the Child Development and Education Act

Enacting H.R. 3 would be an important first step toward developing a national policy that meets these criteria. The Child Development and Education Act of 1989 would authorize $2.5 billion in Fiscal Year 1990 to expand Head Start services, establish and support school-based child care and development programs, and establish and support infant and toddler child care. Under Title I of the Act, Head Start agencies could expand existing comprehensive programs that address developmental, nutritional, and health needs of children from low-income families. Local providers could extend part-day Head Start programs to full-working day and year-round child care to meet the needs of working parents of 3- and 4-year-olds and/or extend Head Start programs over the summer months. Under Title II, the measure would provide funds to local education agencies to provide early childhood development programs to 4-year-olds from low-income families, and to provide before- and after-school care for school-aged youth from low-income families. Funds may also be used for training, construction, and renovation to help public schools expand child care facilities. Under Title III, funds would be provided to states through the Department of Health and Human Services to contract for child care for infants and toddlers from low-income families in centers, neighborhood child care centers, and other public and private providers. The measure would require states to implement standards developed by a national Administrator of Child Care in the Department of Health and Human Services with the advice of a national advisory committee; it would require that all providers meet state health and safety requirements; and it would assure that no funds under the Act would be used to support sectarian activities, lead to church-state entanglement, or discriminate in enrollment or employment.

Components of a quality child care program

We commend you, Mr. Chairman, for developing a bill that emphasizes the essential components of an effective child care and development policy. The measure would concentrate its resources on child care and development for low-income families. It would expand access to child care by building on existing programs in Head Start agencies, local school districts, and other child care providers. It would assure high standards, including certification requirements for child care providers. It would assure the health and safety of child care recipients by requiring providers to comply with state regulations. And it would assure that child care programs are coordinated with public schools and other agencies dedicated to meeting the development, social, and human needs of young children.

NEA has long been a supporter of quality child care and early childhood development. As Head Start and its precursors, such as the Perry Preschool Project in Ypsilanti, Michigan, have proven, quality child care can make an essential difference in the academic achievement of children and their success throughout life. The most essential component of a quality child care program is a qualified provider, and yet, at present, only a fraction of the child care providers in this country are certificated or have an academic background in early childhood development. Other essential components of a quality child care program include developmentally appropriate curriculum, high standards of health and safety, and coordination with other social services, when necessary. And yet, at present, the children who are most in need of access to a quality child care program are the ones least likely to have access to the services they need. They are far more likely to be placed in a casual child care arrangement that does little or nothing to promote their development.

Need for federal involvement in child care

It is, therefore, essential that the federal government take a leadership role in the provision of child care and early childhood development. We need a national child care policy that will promote equity in the provision of child care by providing funding assistance to low-income families. At the same time, to assure that the children of low-income families have access to quality programs, the federal government must establish minimum standards for federally supported child care programs to which state and local agencies must adhere. We need a national child care policy as part of a comprehensive strategy to improve education by meeting the needs of students at risk. Moreover, given some of the tragedies that have occurred in casual child care arrangements, federal involvement is needed to assure adherence to health and safety standards. And, since the economic condition of states and localities varies widely, federal funding assistance is needed to ensure that low-income families and their children receive the help they need.

H.R. 3 would establish a structure to meet all of these concerns. First, it would strengthen, improve, and expand access to existing programs, including Head Start and other child care and early childhood education programs supported by the Department of Health and Human Services and by state and local agencies. Second, it would assure that newly created child care programs meet the highest standards for developmental education and health and safety.

Coordination with the public schools

NEA strongly support provisions of H.R. 3 that would help establish and support child care programs within the public schools. It is vital that federally supported child care have a strong educational objective, and we are pleased that H.R. 3 would require that child care programs funded under the Act would be coordinated with the public schools. We have no desire to rush young children into a rigorous academic program at an early age, but we know that children — at the earliest ages — are capable of learning and must be provided opportunities to explore the world and develop concepts that will contribute to more formal learning opportunities later on. School readiness should be a key component of any child care or early childhood development program.

Under Title II of H.R. 3, public schools would receive funds to establish or support child care programs.

NEA has, for many years, supported early childhood education, particularly for four-year-olds, as an essential part of an effective education improvement strategy. Many school districts already have a long experience of effective child care programs. And, increasingly, the public schools will play a key role in the full range of child care services, both in providing services directly and in advising private and other public child care providers. Public schools have much to offer in terms of existing resources, including both facilities and personnel. By building on these resources, H.R. 3 would maximize the investment of federal funds and consequently expand access far more than would be possible by the creation of entirely new child care facilities.

In addition, funds under H.R. 3 could be used to meet the needs of latchkey children. NEA has a longstanding concern about the 10 to 12 million children who have no adult supervision before and after school. From an educational standpoint, in most instances, this is wasted time for these children that does nothing to promote our nation's educational goals. At the same time, latchkey children are often at risk from accidents, exploitation, and abuse. We commend the authors of the bill for taking steps to address this problem.

Importantly, coordinating child care with local public schools allows schools to serve their role as the appropriate locus for coordination of other services, including health care, medical screening, and nutrition, that contribute to the well-being of young children. As NEA has stated many times, nutrition, health, and other family support programs that meet the human needs of young children are essential elements in any education improvement strategy.

At present, child care efforts within most communities are too fragmented to provide low-income children the kind of sustained help they need. H.R. 3 would provide a framework to strengthen the links between child care, early childhood development programs, and education programs. H.R. 3 would bring together existing programs, build on them, and direct them toward a common goal of preparing young children for school. When there is a lack of continuity in the home and in the community, young children have an even greater need for the continuity a coordinated child care effort can provide.

H.R. 3 includes strong protections

NEA has long been concerned about the potential for federal support of sectarian activities in the public schools or other educational programs. Moreover, we have worked for many years to assure that federal funds do not support discrimination of any kind.

H.R. 3 avoids some of the legal problems an entirely new approach might encounter by building on existing programs and coordinating child care with public schools. The Child Development and Education Act, as introduced, includes strong, statutory prohibitions against federal aid to sectarian institutions that would violate the Establishment clause of the U.S. Constitution or the three-pronged test for church-state entanglement. At the same time, the measure would include strong, statutory prohibitions against discrimination in enrollment or employment. In addition, the measure would provide assistance to low-income families without resorting to vouchers or some other mechanism that might weaken the protections against church-state entanglement and discrimination.

Tax policy changes

Some have advocated changes in the Internal Revenue Code to address the need to expand access to child care. And yet, the key purposes of a federal child care policy should be to meet first the needs of low-income families and children at risk and to promote the drive for excellence and equity in education. Changes in the tax code would fall far short of meeting these objectives. Tax advantages alone do nothing to assure quality of child care programs, assure the health and safety of young children in child care programs, address the supply of quality child care, or strengthen the relationship between child care and education. In short, making changes in the tax policy would do nothing to meet the primary objectives that cause NEA to support federal involvement in child care. Moreover, most of the tax credit proposals considered up to now do not come close to meeting the financial needs of low-income families. Proposals to provide a tax credit of $1,000 per family per year for child care would meet only about one-third of the average cost of child care. And, in many areas of the country such as the inner cities where the need to expand access to child care is the greatest, $1,000 would be only around 20 percent of the annual cost of quality child care. For disadvantaged families, a tax credit that would provide relief only after they have had to pay out money for child care over the previous year is of dubious value.

Funding

H.R. 3 would provide $2.5 billion in FY90 to fund child care programs and related activities. Clearly, any federal child care program — if it is to be meaningful — must provide considerable resources to get started. At the same time, $2.5 billion is, admittedly, only a fraction of the total resources needed to address the child care, child development, and related services necessary to help American children at risk. It is understood that state and local governments, private providers, the business community, and individuals will need to contribute resources on their own in order to reach all young children and low-income families. However, there are at least three important reasons why the federal government must devote resources to this effort. First, by establishing a federal program, H.R. 3 would provide a focus for efforts to meet child care needs in the various communities. It would ensure that programs are built on existing resources, including facilities and personnel, and that services are coordinated with other related activities. And it would allow state and local agencies to target resources to individuals who need the most help. Second, federal involvement would promote equity in the provision of quality child care. Vast economic differences exist among the states and among communities within the states that make them unequally able to fully meet the needs of low-income families in their area. By tying provision of funds to Head Start and Chapter 1 formulas, the Child Development and Education Act would provide targeted assistance to communities that need the most help. Third, like many other educational programs, federal assistance is needed most in areas of the country that are unable or unwilling to provide assistance on their own. In order to promote equity in child care, as in education, the federal government must provide ongoing assistance and must monitor state and local agencies to ensure that children and students get the assistance they need.

The need to act

For many years, NEA has appeared before Congressional hearings to explain the link between education and our national goals: economic vitality, national security, and social justice. Our nation is only as strong as its people are, and while we would hope that every family would be able to take full responsibility for meeting the developmental and human needs of its young children, we know that this has never been the case. For too long, our nation has allowed disadvantaged children and youth to fall through the cracks as if our nation could afford to consider entire generations of individuals dispensable. History has proven that the federal government, working in partnership with state and local agencies, can help meet the needs of families and individuals and break the cycle of poverty. Not only economics, but justice, demand that we move to arrest the cycle of poverty. The enactment of H.R. 3 would be an important step toward that goal.

Thank you.

Chairman **Hawkins**. Next call on Ms. Waterman. Ms. Waterman, may I be forgiven if I refer to something rather personal in this interest.

I happened to be present at a recent ceremony when you eulogized, I think, quite late into the evening. I suppose this happens to be the first time you appear before this committee in a little different capacity.

I cannot help but to commend you on the continuation of your long distinguished service and your different capacity in this instance. We look forward to hearing from you as well as continuing a long established friendship. It's nice to have you before the committee.

Ms. **Waterman**. Thank you, Mr. Chairman, that's very nice of you and your kind words. You were with us at a night when we were honoring you and all the things that you've done for children since you've been here in Congress. It was a very big surprise to me that I also had to share your award that the National PTA gave you. So, thank you for those kind words.

Chairman Hawkins and members of the committee, I am pleased to have this opportunity today to reaffirm the National PTA's support for H.R. 3, the Child Development and Education Act.

When H.R. 3 was introduced in January, the National PTA, an organization of 6.5 million members, endorsed this legislation as an innovative approach to improving the quality and the supply of child care and early childhood education programs.

Moreover, the bill helps parents who need financial assistance pay for those services. Just as importantly, it avoids the potential constitutional problems with vouchers.

The Child Development and Education Act will dramatically affect both the present and future of child care. The measure helps meet the immediate requirements of parents by expanding services conveyed through the current delivery system.

The significance of expanding services from part day to full day to year round programs is stressed. Equally important, H.R. 3 formulates a plan that will complement the needs of families a decade from now.

This is a notable beginning for the Federal government. Instead of sustaining the status quo, H.R. 3 recasts the child care and early childhood education framework to provide the range of services presently offered, as well as to extend the system to give what the data suggests an increasing number of parents want for their children: access to school-based programs.

In our testimony today, I will discuss the association's views on the structure of H.R. 3, the issues of school-based child care and parental choice in regard to vouchers.

First, the National PTA supports the three part structure of H.R. 3. This approach helps to define the components of a very complex issue that previously has been consolidated into a single abstract category.

Some child care programs function as a social service while preschool initiatives have an educational objective. For instance, while young children aged birth through three learn a great deal during those early years, care giving for infants is more social service in nature.

Child development specialists, child welfare advocates and even business executives today testify to the learning benefits of quality enrichment activities for three- and four-year-olds. These services are indeed educational.

H.R. 3 acknowledges variations in program design, in mission and administration, while at the same time it signals that programmatic differences do not constitute incompatibility. Whether services are provided in a Head Start project, a family day care home or a school-based facility, there is indeed common ground providing parents with options in choosing safe, affordable, quality programs for young children.

H.R. 3 is a pragmatic measure that calls for a simultaneous extension of our programs, delineates the division between programs and sets new parameters for partnerships; very important.

Problems arise not because different agencies have oversight of child care or pre-school services but from too little, if any, communication among offices and too few dollars to adequately fund various program needs.

Restructuring the child care delivery system is impractical. Lumping all child care in developmental programs under one agency will not necessarily best serve children or their parents.

The National PTA believes that pre-school programs should be defined as educational and administered by the Department of Education. Mandating the use of Federal monies for the purpose of pre-school education will help track those dollars into enrichment services.

We fear that if an education enrichment program is defined as a social service, that there is a chance that a resource poor neighborhood will be forced into offering a caretaking service while a district, with additional resources, will use those funds to augment educationally oriented programs.

Unwittingly, then, the Federal government will have created a system of inequality. The National PTA would suggest amending the bill to include three-year-olds under Title II and III of the bill.

Inclusion of these youngsters in Title II would complement the policies of those 20 states that already have early childhood education programs that enroll three-year-olds. Incorporating three-year-olds into all titles of the bill would allow children to stay in a program longer and facilitate the likelihood that siblings could attend the same program.

H.R. 3 is revolutionary as a first broad-based child care package to build the public sector's participation in child care and pre-school services. Public response to the child care challenge usually results in public funds being funneled into private enterprises where policies do not necessarily foster an atmosphere where there is civic commitment to meet society's child care and pre-school needs.

H.R. 3 channels a significant portion of tax dollars to public programs, setting the stage for additional public involvement in providing affordable quality child care and pre-school programs.

For these reasons, the National PTA is very supportive of Title II in H.R. 3. A Federal initiate that puts billions of dollars into building a child care and developmental infrastructure must incorporate public institutions.

To ignore the public schools or to relegate them to such a low priority that they would receive a very small percentage of set-aside funds defies an increasing preference of many parents.

Title II of H.R. 3 will expand the supply of developmental programs. Also, the approach is responsive to increasing number of parents who want school-based care as an option as well as those advocates of educational reform who emphasize school readiness.

The National PTA, ladies and gentlemen, has a longstanding position opposing the use of vouchers for pre-school public and nonpublic elementary and secondary schools.

The PTA opposes vouches for these reasons. Vouchers do not ensure parental choice. Parents may not have the funds to supplement vouchers. Program of first choice may not have available slots.

Transportation cost may be an inhibiting factor. The public should not be misled to believe that vouchers give parents open-ended choices. Parent's options are limited even with the use of vouchers.

Vouchers do not contribute to social integration. There is no evidence that vouchers help to diversify programs or socialization patterns and mix children from different backgrounds.

Vouchers could be used in sectarian agencies to assure that religious influence is not present and these facilities could involve government officials in an unconstitutional entanglement to ensure church/state separation.

Vouchers for pre-school education would open the floodgates for legislation to enact vouchers for elementary and secondary programs.

Vouchers do not build a child care system nor do they increase the supply of caregivers nor do they improve the quality of programs. The National PTA recognizes that approximately 26 states and the District of Columbia use some type of a voucher payment mechanism for subsidized care.

Nearly all of these states, however, structure their plans in such a way that the eligible parent chooses the caretaker who then receives the payment from the state. Most states require the parent and the provider to sign a written agreement.

The majority of voucher programs are actually contracted system. California, for example, has an alternative payment system whereby the eligible parent selects any license or license exempt provider. The provider then contracts the Department of Education.

In Iowa, services are purchased under a vendor system. The parent selects the licensed center or registered family day care provider willing to contract with the state. The state pays the provider. Parents in Michigan, for instance, can select any licensed provider that contracts with the state and so it goes.

Currently, the buzz word around us is parental choice. That term should be defined. Mark Twain said, and once wrote, that "the difference between the right word and the almost right word is the difference between lightening and lightening bug."

Filtering money into parent's pocketbooks does not enable choice. Parental choice should not be defined so generally. Neither should choice be characterized by whether public funds are given to parents for use at a secular or sectarian program.

The debate is constitutional in nature. For parents, choice is an empowerment issue. Choice means having access to information, being able to act on that knowledge. Choice means empowering parents so that they are able to exercise their right to program accessibility and quality.

Choice means being able to maintain self-reliance and economic independence. Parental choice is cultivated through the establishment of a child care developmental system, not a blind infusion of public dollars into a non-system.

H.R. 3 will help give parents choices. We embrace this legislation. During my four years, Mr. Chairman, as vice president for legislative activity, the National PTA's office of governmental relation has worked to secure the passage of a comprehensive child care program.

Our hope is that a bill will be enacted in law. There is such a need in this nation for affordable, accessible, safe quality program of child care and early childhood education. It is an important investment by the Federal government, an investment that will benefit this country for years to come.

I thank you for this opportunity to present the National PTA's views.

[The prepared statement of Millie Waterman follows:]

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Testimony by the National Parent Teacher Association (PTA)
Before the Education and Labor Committee
U.S. House of Representatives

regarding
H.R. 3, the Child Development and Education Act

by
Millie Waterman
Vice-president for Legislative Activity

April 5, 1989

Chairman Hawkins and members of the Committee, I am pleased to have this opportunity to reaffirm the National PTA's support for H.R. 3, the Child Development and Education Act. When H.R. 3 was introduced in January, the National PTA, an organization of 6.5 million members, endorsed this legislation as an innovative approach to improving the quality and supply of child care and early childhood education programs. Moreover, the bill helps parents who need financial assistance pay for services, and avoids potential Constitutional problems with vouchers.

The Child Development and Education Act will dramatically affect both the present and future of child care. The measure helps meet the immediate care requirements of parents by expanding services conveyed through the current delivery system. The importance of expanding services from part-day to full-day, year-round programs is stressed. Equally important, however, H.R. 3 formulates a plan that will complement the needs of families a decade from now. Instead of sustaining the status quo, H.R. 3 recasts the child care and early childhood education framework to provide the range of services presently offered, as well as to extend the system to give what the data suggest an increasing number of parents want for their children--access to school-based programs.

In our testimony today, I will discuss our association's views on the structure of H.R. 3 and counter criticisms expressed by opponents of the bill. I will also address the issues of school-based child care and parental choice in regard to vouchers.

First, the National PTA supports the tripartite structure of H.R. 3. This approach helps to define the components of a complex issue that, previously, had been consolidated into a monolithic and abstract category. Matia Finn-Stevenson, Associate Director for Program Development at the Bush Center in Child Development and Social Policy, recently noted that frequently child care and early childhood education programs are discussed within the same conceptual structure, yet are often very different proposals.

Some child care programs function as a social service, while preschool initiatives have an educational objective. For instance, while young children ages birth through three learn a great deal during those early years, care giving for infants is more social service in nature. But child development specialists, child welfare advocates, even business executives testify to the learning benefits of quality enrichment activities for three- and four-year-olds. These services are educational.

H.R. 3 acknowledges variations in program design, mission and administration, while at the same time signals that programmatic differences do not constitute incompatibility. Whether services are provided in a Head Start project, a family day care home or a school-based facility there is a common ground--providing parents with options in choosing safe, affordable, quality programs for young children.

A successful national child care system requires the coordination of the numerous child care and developmental programs. The National PTA recommends the incorporation of another title into the bill that would authorize a coordinating council at the federal level. This council would review and establish collaboration policies for federal departments administering child care and developmental services, as well as set guidelines to clarify the coordination of activities at the state and local level.

Some critics of H.R. 3 say that the bill's multi-titled approach would splinter the child care system. The National PTA finds this argument dubious. The reason cited for seeking a broad-based federal child care initiative was precisely that there is no organized system, that policies evolved independent of one another and there is little or no cooperation among agencies. How can H.R. 3 destroy what does not exist?

H.R. 3 is a pragmatic measure that calls for the simultaneous expansion of programs, delineates the division between programs and sets new parameters for partnerships. Problems arise not because different administrative agencies have oversight of child care or preschool services, but from too little, if any, communication among offices, and too few dollars to adequately fund various program needs. Restructuring the child care delivery system is impracticable, and lumping all child care and developmental programs under one agency will not necessarily best serve children or their parents.

Opponents of H.R. 3 claim the bill will perpetuate the turf battle between education advocates and child welfare activists. To administer one program under the Education Department and another through the Department of Health and Human Services only serves to fuel the notion that social services do not incorporate developmental components. This is a red herring. Programs designed to meet the social service needs of a community need not be void of developmental components. Clearly, persons caring for infants and toddlers should view their role as not only nurturers but as people who will expand a child's horizons and growth potential. Still, these are not educational services.

The National PTA believes that preschool programs should be defined as educational and administered by the Department of Education. Mandating the use of federal monies for the purpose of preschool "education" will help track those dollars into enrichment services. We fear that if an education enrichment program is defined as a social service there is the chance that a resource-poor neighborhood will be forced into offering a caretaking service, while a district with additional resources will use the funds to augment educationally oriented programs. Unwittingly, the federal government will have created a system of inequality.

Another concern raised about the tripartite approach is that the bill will prohibit siblings from attending the same facility or that children will be forced to change programs as their age changes. The National PTA would suggest amending the bill to include three-year-olds under Titles II and III of the bill. Inclusion of these youngsters in Title II would complement the policies of those 20 states that have early education programs that enroll three-year-olds. Incorporating three-year-olds into all three titles of the bill would allow children to stay in a program longer as well as facilitate the likelihood that siblings could attend the same program.

In some instances, however, siblings will not be placed in the same facility. For example, the parents of a three-year-old Head Start student cannot bring the baby sister to the center. Or for instance, a kindergartner will not attend the same program where his three-year-old brother is enrolled.

By expanding school-based services, H.R. 3 creates a greater likelihood that young children and school-aged siblings will be cared for in the same facility. School-based care has other benefits. For instance, this situation is particularly beneficial when before- and after-school care is required for an older sibling, these facilities are usually neighborhood-centered, and children would not have to change locations.

H.R. 3 is revolutionary as the first broad-based child care package to build the public sector's participation in child care and preschool services. Public response to the child care challenge usually results in public funds being funneled into private enterprises. Policies do not foster an atmosphere where there is a civic commitment to meeting society's child care and preschool needs. H.R. 3 channels a significant portion of tax dollars to public programs. Public schools are just one of the public entities that should be involved; there are other possibilities. For example, in just a few months schools will close for summer break and thousands of young children and their parents will be looking for alternative care arrangements. Taxpayer dollars should be used to establish and maintain programs run through city or local public park services. H.R. 3 sets the stage for additional public involvement in providing affordable, quality child care and preschool programs.

For these reasons the National PTA is very supportive of Title II in H.R. 3. A federal initiative that pumps billions of dollars into building a child care and developmental infrastructure must incorporate public institutions. To ignore the public schools or to relegate them to such a low priority that they would receive a very small percentage of set-aside funds defies an increasing preference of many parents.

According to the Public School Early Childhood Study conducted by Fern Marx and Michelle Seligson of Bank Street College, the number of school-based programs is rapidly escalating. Before 1980 only eight states offered state sponsored prekindergarten programs. By 1987, 26 states had programs and three states with existing programs increased program outlays. They also note that the "increasing number of working mothers is often cited as the reason why states are developing new early childhood programs. Yet none of the 'new wave' state programs emphasize child care."

Ms. Finn-Stevenson, from the Bush Center, wrote an article entitled Child Care in the Public Schools: Emerging Developments and Future Trends. She stated that "the fact that many school child care services are based on local initiatives rather than government support and that they were developed in response to the child care needs of parents, signifies an important point: these programs were developed at the grass roots level in response to a need for services."

Title II, of H.R. 3, will help expand the supply of child care and developmental programs. Further, this approach is responsive to increasing number of parents who want school-based care as an option as well as those advocates of education reform who emphasize school readiness.

Some say that schools are plagued by many problems and are what one association dubbed the "Incubators of Inequality". The school system does confront many obstacles. But the child care community is also plagued by such problems as lack of program coordination at the state and local level, limited training resources, high provider turnover rates, among others. To prove a point about regulations, child advocates exploit the small number of tragedies that occur in child care settings. Still both the child care and educational fields have many success stories. The answer is to define the problems and find solutions, not discredit the entire profession.

For 92 years, the National PTA has been the nation's voice for the adoption of strong parental involvement provisions in child related measures. A strong parental involvement component ensures the likelihood of a quality program. Parents must develop and execute policies that guide their children's developmental experiences. Parents, and their children, must not be merely the consumers of education, they must also be the managers of their learning environment.

Our interpretation of Sec. 8003 (6)(F) is that Title II programs, as an amendment to P.L. 100-297, the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Act, must adhere to the law's parent involvement requirements. We support tying Title II monies to these requirements and encourage using this provision as a model for other components in H.R. 3.

I would like to shift the focus of my comments and state that the National PTA has a long-standing position opposing the use of vouchers for public and nonpublic elementary and secondary schools. In August of 1988, The National PTA reaffirmed this position and added the word "preschool." PTA opposes vouchers because:

o Vouchers do not ensure parental choice. The term "choice" is misleading. For example, parents may not be able to supplement vouchers with their own funds. The program of first choice may not have available slots. Transportation costs may be an inhibiting factor. At a recent White House briefing, one child care advocate, expressing concern about the supply of child care and use of tax credits in addressing this problem, pointed out that in some states providers are refusing to accept vouchers because the subsidy is so low. The public should not be misled to believe that vouchers give parents open ended choices. Unfortunately, parents' options are limited even with the use of vouchers.

o Vouchers do not contribute to social integration. There is no evidence that vouchers help diversify programs or socialization patterns and mix children from different backgrounds.

o Vouchers could be used in sectarian agencies. To assure that religious influence is not present in these facilities could involve government officials in an unconstitutional entanglement involve government officials in an unconstitutional entanglement to ensure church/state separation.

o Vouchers for preschool education would open the floodgates for legislation to enact vouchers for elementary and secondary education programs.

o Vouchers do not build a child care system, increase the supply of care givers or improve the quality of programs.

The National PTA recognizes that approximately 26 states and the District of Columbia use some type of voucher payment mechanism for subsidized care. Nearly all of these states, however, structure their voucher plans in such a way that the eligible parents choose the care giver, who then receives a payment from the state. Most states require the parent and/or the provider to sign a written agreement. Only two states have vouchers with no restrictions where parents select and directly pay providers.

The majority of voucher programs are actually contracted systems. Further, most states have some restrictions on the use of vouchers. California, for example, has an alternative payment system whereby the eligible parent selects any licensed or license-exempt provider. The provider then contracts with the Department of Education. In Iowa, services are purchased under a vendor system. The parent selects any licensed center or registered family day care provider willing to contract with the state. The state pays the provider. Wisconsin allows the parent to use vouchers with any licensed, registered or certified provider. The provider submits the voucher to the state for reimbursement. Parents in Michigan can select any licensed provider that contracts with the state.

Currently, the buzz word in child care is "parental choice." That term should be defined. As Mark Twain once wrote, "the difference between the right word and the almost-right word is the difference between lightning and lightning bug."

Filtering money into parents' pocketbooks does not enable choice. Parental choice should not be defined so generally. Neither should choice be characterized by whether public funds are given to parents for use at a secular or sectarian program. That debate is constitutional in nature.

For parents, choice is an empowerment issue. The Latin root for power is potere, "to be able." Choice means having access to information, and being able to act on that knowledge. Choice means empowering parents so that they are able to exercise their right to program accessibility and quality. Choice means being able to maintain self-reliance and economic independence, which can be encouraged with the adoption of the Family and Medical Leave Act. Parental choice is cultivated through the establishment of a child care and developmental system, not a blind infusion of public dollars into a non-system.

H.R. 3 will help give parents choices, and we embrace this legislation. During my four-year tenure as vice-president for legislative activity, the National PTA Office of Governmental Relations has worked to secure the passage of a comprehensive child care package. Our hope is that a bill will be enacted into law before the year's end, and that H.R. 3 is the vehicle.

Thank you for this opportunity to present the National PTA's views on child care and early childhood education.

Chairman **Hawkins**. Thank you, Ms. Waterman. May I indicate to you that your reference on page 5 about the failure to include the three-year-olds was strictly a mistake in the drafting. It was the intent to include them.

That will be clarified and your statement in reference to the three-year-olds is certainly well taken. The proposal will be includedin the final draft.

Mr. Melley, on page 7 of your statement, you mentioned that funds under H.R. 3 could be used to meet the needs of latchkey children. Would you elaborate on that? Can you tell the committee what role the schools currently play with respect to the before and after school children?

I would welcome a brief reply from both of you.

Ms. **Waterman**. I'll try to be very brief. Many of our public schools are entering into carrying a before and after school program for children whose parents go to work very early and must drop them off or are getting home later at night after school.

So many of the public schools have already entered into programs. Most of them have to be very self-sustaining programs so that operating funds are not necessarily used for such programs.

There is more and more need for taking care of children as more and more parents, are working. We know that 60 percent today are working. You can better bet that pretty soon 70 percent will be there and in need of someplace to drop children off before school begins and certainly to take care of them after school.

Chairman **Hawkins**. So it is a fairly common practice?

Ms. **Waterman**. Yes.

Chairman **Hawkins**. Mr. Melley, would you care to supplement these comments?

Mr. **Melley**. In many of the urban centers, Mr. Chairman, it is not possible to extend an after school activity for reasons of safety and other concern. So there are deadlines that are usually put on closing the school building in the afternoon.

Those deadlines precede a time in which parents are let out of work. So there is a gap of time in many instances where a child will be uncared for or unsupervised between the time they leave the school facility and the time that the parent comes home.

Chairman **Hawkins**. Well, is this inherent in the proposal or is there any correction that you would suggest?

Mr. **Melley**. As we review H.R. 3, it would expand the possibility of opening the school buildings beyond what are now deadlines. We would commend the chairman for including that in the bill and possibly expanding it further.

When we look at the whole area of latchkey children, it's a great concern to all of us. It's a point in time when accidents can happen at home, when a child is unsupervised. It's a point in time when they might be exploited out on the streets, innocent to the ways of the adults that might be around them. They might be subjected to abuse, abuse taking all sorts of violent tendencies including sexual abuse, drug abuse.

So we have a great concern that the latchkey child is protected to the extent possible in the expansion of the child care programs after school in the public institutions to the extent possible to a time line when the child's parent would come home would be very, very helpful.

Chairman HAWKINS. Thank you. Mr. Smith?

Mr. SMITH. Thank you, Mr. Chairman. I have a question first for Mr. Melley. The question I have having to do with pre- and post-school care as it is described in this bill has not to do with whether we should offer it or fund it, whether it is needed at all.

From the point of view, if you will, the franchise at the state level, do you believe that we are better or worse off if we have a separate funding source that would go through, say, a state department of education as opposed to having a pot of money to which schools could apply or which was reserved for schools that would be administered out of the existing office of child care or development in states which would be on the human services side of the aisle?

I am simply—I really have a position at this point, but I'm concerned that we could look back in three years and realize we have once again created competing entities at the state level and at the Federal level in a confusion with whether or not we want to have a diversity of locations at the local level where services are offered.

Do you have a sense about that?

Mr. MELLEY. We believe that the educational component that would be offered in the proposal of H.R. 3 is significant enough that reaches to pre-school years that if and when administered to the state, it should be administered by a state education agency.

In fact, the amounts of monies that would be going into programs would best serve the needs of children and the parents that would be in those programs if it were a single agency administering them. We would support that concept.

Mr. SMITH. You think the single agency ought to be state education agency and not the office of child development on the human services side.

Mr. MELLEY. As a general statement, I would say, yes. I would have to examine state by state to give you a specific response as to how each state works out its programs.

Mr. SMITH. I may be wrong, but I know the way we do it in Vermont and I suspect the way it's done—just because of the way the policy has evolved—is that right now the lion share of the financing and the regulation is not done on the education side of the table.

I think it is more—when you think about why our dreams don't play out for better opportunities for children, oftentimes it's because we neglect to really look at how this thing is going to work between the time it becomes a law and children actually get served.

I would urge you to think about it because I think we are going to need to think about it.

A question for Ms. Waterman. In terms of the issue of regulation of school-based programs or local programs, do you have a level of comfort having the state versus the Federal government involved in determining what minimum regulations are.

My reference point for that is K-12 education in which the burden historically has rested with states and post-secondary education where the burden has rested with states. I think some nervousness that I have is simply in terms of the Federal system about where the most effective setting of standards should reside.

Does the PTA have a position on that? I may have missed it in your testimony. That's my first question.

Ms. **Waterman**. Mr. Chairman, Mr. Smith, we are well aware that education is the state's responsibility. I do think that as we are talking about this bill in particular and going to be spending billions of dollars, that partnerships must occur.

I do think that you need to, in the Federal government, know where your money is going and how it is being used. So I think that you need to keep track of those dollars.

Mr. **Smith**. I appreciate that. I just needed to clarify it. It's an issue I wish reasonable people can disagree. I would reference the K-12 system to you and the enormous difficulty we are having changing that system.

I don't believe that at the point where we want to take child development and improve it; that having two layers of bureaucracy 20 years down the road is really going to make our job any easier in terms of flexibility.

The final question: We finance post-secondary education through a combination of state money, Federal money and personal money. The choice rests with the student and the family.

I am not a pro-voucher person. I am an educator and I'm not. I'm concerned as we look at a model for funding child care as to whether the model should more closely approximate the model we have for K-12 education or whether it should more closely approximate the model we have for post-secondary education in terms of the diversity of sources and a different balance, if you will, between institutional—chosen versus choice, Mark Twain notwithstanding.

When you think about it in those terms, have you chosen a K-12 model as your analogy for how early childhood programs should be funded? There's more choice in the post-secondary model, frankly, than there is in the K-12 model, obviously.

Ms. **Waterman**. Mr. Chairman, Mr. Smith, I don't know that I've gone into such great detail on that. I only know that child care legislation and the need for child care slots and the need for good programming, early childhood education is very important. We need to get on with it.

I guess the National PTA has been concerned, not only the entire nation, as we look at what is out there that needs to be taken care of. I have not focused in on that.

Chairman **Hawkins**. The gentleman's time has expired. Mr. Kildee.

Mr. **Kildee**. Thank you, Mr. Chairman. I'm from Flint, Michigan where the concept of community education, community schools started in 1935. We mentioned earlier in our discussion here today, schools closing shortly after 4:00.

Up until about 1981, the Federal government used to put up not a whole lot of money, but some money, for community education to encourage those schools to remain open for a variety of purposes.

This question is for both of you. Many schools have half day pre-K programs for young children including some who have Head Start programs. About 20 percent of Head Start programs are in the public school system.

How can we structure those half day programs, which really are very helpful programs, to better respond to the needs of the working parents and their children who have to find some accommodation for the rest of the day.

How can we structure a program, say, using those pre-K programs and Head Start programs? How can we physically structure them and fiscally structure them so that we can encourage those schools to remain open long enough at least to accommodate the needs of the working parents?

Could you perhaps address yourself to that?

Ms. **Waterman**. Well, Mr. Chairman, Mr. Kildee, money. We could begin with money.

Mr. **Kildee**. Congress cut that money out of it. Congress cut out that community school money in the reconciliation of '81 unfortunately.

Ms. **Waterman**. Yes. No one wants to hear that but it always takes money to run it.

Mr. **Kildee**. I agree with you. It does take money.

Ms. **Waterman**. Also to have enough money in resources for good in-service for those taking care of our children. I think that as we look at this bill as a whole, Mr. Kildee, it is beginning that partnership with the public schools.

I think when the Federal government starts encouraging that kind of participation and this kind of legislation, I think that the message is there; that they need to further that need and to do whatever they can.

By having the incentive of additional funds and by the community support within that community, the effectiveness of good effective schools have parental community support and proper financing.

I think as those needs in the community are met and are spelled out very clearly that we need to have this service done for us, I think that that will help and answer part of your question.

I think they do need to be expanded in the hours. I would hope that the community would respond as this count came down.

Mr. **Kildee**. Ken, can you respond to that?

Mr. **Melley**. Mr. Chairman and Mr. Kildee, the school-based pre-K program that you refer to is one that has proven to be successful in many, many communities. Its success has been keyed off the fact that it has had a limited number of hours of instructional opportunity if you want to put it in the context of a pre-K instruction.

I don't think that we would be in a position to recommend a full day or beyond a full day, school day, for an educational environment for children in the pre-K situation. So therefore, they would have to have some other companion activities that would care for them in such a way as to increase and improve their values.

In so doing, when looking at the school facilities, then you come into competition with site activity, playground activity. You come into the whole area of staff resources available in that half day that normally would be free or unavailable to the people who would be administering the school.

I think we need to, through H.R. 3, develop this coordinated activity. There's no question that school personnel, school administrators and the child care administrators would have to integrate their programs to have an a continuity from early morning through the end of the day that would incorporate a full day program, not all of which is one aspect of the care, be it education, be it play, be it rest, be it food, whatever.

Mr. **KILDEE**. Any Federal program should allow enough flexibility for the public school to be able to address that then?

Mr. **MELLEY**. As I read H.R. 3 it would allow that, yes.

Mr. **KILDEE**. Thank you very much. Thank you, Mr. Chairman.

Chairman **HAWKINS**. Thank you. Mr. Gunderson?

Mr. **GUNDERSON**. No questions.

Chairman **HAWKINS**. Mr. Williams?

Mr. **WILLIAMS**. Thank you, Mr. Chairman. First, I want to commend both of your organizations for the significant leadership and work that you have done through the years to encourage the preparation of a Federal law which would aid in early childhood development care education.

Mr. Melley, is it NEA's position that children below the age of six are educable?

Mr. **MELLEY**. Yes, it is, Mr. Williams.

Mr. **WILLIAMS**. Ms. Waterman, does the PTA have the same position?

Ms. **WATERMAN**. Absolutely, Mr. Williams.

Mr. **WILLIAMS**. Mr. Melley, does NEA believe that infants, toddlers and children up to the age of four or five, prior to entry into the first grade, that is into formal education, will be receiving in these child care centers preparation for school, social education, academic preparation?

Mr. **MELLEY**. It is our belief that H.R. 3 would provide that. The pre-K, two-, three-, four-year-old programs that we would envision is being incorporated in this legislation that would be carried out at the local level would provide an opportunity for children to integrate with one another in a setting that would allow for, among other things, discipline, among other things, expansion of the mind, among other things, play.

Put them in a context where there is an opportunity to get accustomed to a community setting during the day that would eventually lead to a school room setting. If they could understand that going into a school room setting, needless to say, they are going to have an advantage.

As I say, as opposed to the possibility of staying at home and watching a television set for four hours or six hours or eight hours—and I don't believe any brain cells will be enhanced in that regard toward better schooling possibility when they become age six.

Mr. **WILLIAMS**. Ms. Waterman, in your judgment, does the PTA agree with the NEA's position as expressed by Mr. Melley; or on the other hand, do you see early childhood care as custodial rather than developmental and educational and academic? Is it custodial or is it educational?

Ms. **WATERMAN**. I think it is education. I think from the time—I am a grandmother of three, if I can be very personal. I have almost a three-year-old, eight-year-old, and a nine-year-old. I have watched them as they have grown even more so than maybe I watched my own two. Grandmothers are like that.

It's amazing the learning process that takes place with a youngster very early on. The whole world is being consumed and looked at and tasted at and touched at by these children; very educational.

Mr. **Williams**. As both of you know and as your organizations have wrestled with this problem, you have undoubtedly run up against the difficulty that has also faced many of us here on this committee and in the Congress and that is, the Constitutional prohibition against Federal funds being used by sectarian institutions to provide America's children with an education.

My point is obvious: If early childhood care is not custodial, but rather is educational, as it surely is, then how would you suggest we get around this very real problem of legislation which provides sectarian institutions with funds to deliver this education and care to these children?

Ms. **Waterman**. Well, as I repeated in my testimony, Mr. Chairman and Mr. Williams, the National PTA is very concerned about public dollars going into religious, nonpublic institutions, and we must be very careful.

We are opposed to tuition tax credits and to vouchers going into nonpublic religious schools. We are concerned about the church/state separation, the religious training. We believe that public dollars should be to public institutions and have, for many decades.

While many of the religious institutions, in all fairness to them and nonpublic institutions, have certainly taken care of the child care, it is this bill that I think is the promise to this nation that we are going to involve the public schools. We are going to put our public dollars where they can be accountable by officials and where there is an assurance that there is that separation of church and state.

It has been a very deep concern of the National PTA, as we see through our states where public dollars are continuously going to be used for auxiliary services and transportation, and as we try to provide an educational system for this nation and we find that state after state has difficulty in funding K through 12, we get more and more concerned as we find many public dollars going elsewhere, and that has been proven in state after state.

Chairman **Hawkins**. Mr. Martinez?

Mr. **Williams**. Mr. Chairman, I wonder if I could be granted an extension for Mr. Melley to——

Chairman **Hawkins**. By unanimous consent, the gentleman is granted another minute. You may proceed.

Mr. **Melley**. Thank you, Mr. Chairman. Thank you, Mr. Williams.

Chairman **Hawkins**. I caution the members, when they see the red light and they are still asking a question, to make it a very brief one and direct it to a specific witness until such time as every member has had an opportunity and then we will come back a second time, if Members are still remaining in the hearing, to recognize them.

Mr. Melley?

Mr. **Melley**. Thank you, Mr. Chairman.

Mr. Williams, in response to your question, the National Education Association's position has been articulated many times in this hearing room and in other hearing rooms. We are unalterably opposed to Federal funds, public funds, being used for sectarian purposes.

This is a position that we stand very, very strongly upon. The fact of the matter as we look at H.R. 3, though, we see the opportunity and the possibility to address some of the vital concerns that you have raised in your questioning here this morning.

As we work our way through this child care situation, I think we need to examine all possibilities that would allow for the opportunity for any provider to provide care and be eligible to receive support, but to avoid the issue of church and state, and that is something that is a problem and we are going to have to work it through.

Chairman HAWKINS. Mr. Martinez?

Mr. MARTINEZ. Thank you, Mr. Chairman.

First of all, I would like to make the same commendation that my colleague, Mr. Williams, made. This is a situation that we are—I am going to extend the questioning along the same lines that he did, because this is really a question that we all have to answer in our own minds.

It does not come out simply as clearcut as some people would have us believe that it is, that you just have to avoid using tax dollars for sectarian purposes. I think about the children themselves, because we constantly, in your testimonies, refer to the needs of the children, the needs of the children.

Well, fine. They are all children, those that their parents would send to those sectarian institutions, they are children, too. Many of them need—and we had this same problem with another piece of legislation in how do we get funds to those students who are disadvantaged and in need of that extra help that that fund would provide.

How do we get it to them if we are leasing temporary facilities on school grounds to keep it separated? We went through that whole gamut of things.

The problem is that once we start doing that, we start separating the children which is, you know, in this great country, what we are really trying to do is integrate all people and get away from segregation, get away from discrimination.

If we are going to do that, we need to start thinking in terms of these are kids that need to be served and these are parents who have needs for their kids to be put somewhere.

I really believe if people would coordinate their efforts, there are all the alternatives in place in these local communities to make sure that these children are taken care of. The problem is that we cannot coordinate it. You've got clubs and organizations that have activities going on after the regular school hours or even school facilities.

We always come up with the excuse that this necessitates extra personnel; this necessitates the crowding of a jurisdiction and so on and so on. I think they are all really excuses, because as I go and visit the schools in my district, I see a lot of the areas are not being used at all at particular times and it is just a matter of scheduling for those times, those activities you need to carry out that main function or that priority function, the needs of the child.

In past questioning of whether or not we can make a determination whether that preschool is educational or custodial, I'd like to ask you this: Now, let's be realistic that when a child is two or three years old, sure, there's going to be some learning experience if that is actually done in that particular situation for that particular child.

We have got to determine, in a realistic way, the primary function and determinant that's it. If there is a side of education that helps—I love these terminologies that we use: Well, they are going to learn to get along in a group setting. It's the same thing as on the minimum wage, when we said, "Well, they're going to develop a work ethic." Work ethic is developed by need and need motivates a person to be prompt and consciousness about this job.

It is the same thing with children. If you put a child in an environment, he has a natural inclination to become—we are social animals. So, if we are going to make a determination, let me ask you, in the instance of trying to determine how these dollars are best spent, wouldn't you say that in that period of time, that the primary function—I am concerned with the primary function so that we can define it—is custodial?

Mr. MELLEY. Mr. Martinez, if you are talking from birth to age two, two-and-a-half, more than likely, the overwhelming response that a child would receive from this type of exposure would be custodial as opposed to educational, but I——

Mr. MARTINEZ. Let me stop you right there.

Mr. MELLEY. As a grandfather along with a grandmother, my eight-month-old grandson, at least from a grandfather's perspective, is learning every day.

Mr. MARTINEZ. They do.

Mr. MELLEY. A new environment, new things. Now, where do you draw the line and say that at age two-and-a-half, they are now in education versus custodial, it is the very, very difficult question we are struggling to respond to here.

As Mr. Williams had the concern and you had the concern, we all have the concern, but the basic issue that we have to address is the public funds for public services. We have to deal with that in the setting that I think we have the foundation to deal with.

I hope H.R. 3, as I've suggested, is the vehicle where at least there is some opportunity in the birth through toddlers to have a child care exposure that would be different than what would be in a public setting exposure.

Mr. MARTINEZ. Thank you.

Chairman HAWKINS. Mr. Hayes, we welcome you back from the battlefield, Mr. Hayes. We are glad that you survived.

Mr. HAYES. Thank you, Mr. Chairman, and it is a battlefield.

I do not choose to raise any questions. I yield the time I might have consumed equally between those who have already spoken and those who are to follow me.

Chairman HAWKINS. Mr. Perkins?

Mr. PERKINS. Thank you, Mr. Chairman.

I would like to commend our distinguished panelists for the information they have given us today. I think it is very informative and certainly, it goes along with the great concern that we have in this country of trying to provide some adequate child care.

Ultimately, the question, as we all know, is one of cost. There already is a social network out there if we go the social services route. That's one where I don't think we are necessarily wanting to go, but how much do you think it is going to cost if we define it as education and how much do you think we are going to be able to get, if we define it as education?

Mr. **Melley**. Mr. Perkins, if we possibly could change the title to "The Crisis in Savings and Loans", maybe we could find $40 billion very quickly.

There is a crisis in child care. There is a crisis in elementary and secondary education. For us to come in front of you and be asking for $2.5 billion for child care or thereabouts for elementary and secondary, to have to be concerned about where the money is going to come from, it has to be put into the context of the availability of monies to find solutions to other crises that our society is dealing with.

The one that has come to the forefront of us who are in the trenches struggling on these issues day after day after day is, after years of mismanagement in savings and loans, we are now as a government trying to find a way to bail mismanaged situations out for extensive amounts, billions of dollars.

I would imagine we could take a few billion dollars out of the savings and loan's bail-out and put it into child care.

Mr. **Perkins**. Yes, ma'am?

Ms. **Waterman**. Mr. Chairman and Mr. Perkins, I guess I would turn my answer to a question. The question would be: How long must this nation wait for us to get into early childhood education? We are far behind other countries, taking care of their very young.

I think that the investment in early childhood education and providing child care slots in this country must be a priority, so it is a question, not an answer for you, but how long can we wait?

Mr. **Perkins**. I appreciate your feelings and I share them. I also know the reality of what we are dealing with here and I think you do, too.

Ms. **Waterman**. That's right. There is never enough money to do anything when we get right down to it, but this is a start and I'd like to see it finished.

Mr. **Perkins**. My concern is that areas that have available funds—that is, richer areas—are going to be in a position to have some sort of child care development centers. They are going to have them.

Those areas, poor areas, areas like mine, aren't, and that is my concern. I would hate to see—I would be interested, again, in seeing how. This is the problem. There are some network things out there that we can use now, but we know the problems associated with them.

As a practical reality, how do we try to get to a functioning system that allows child care to actually take place, in disadvantaged areas, poor areas, and rural areas as well?

I don't have any more questions, Mr. Chairman.

Chairman **Hawkins**. Mr. Ballenger?

Mr. **Ballenger**. Mr. Chairman, I'm sorry I was in and out twice, and late, causing me to miss most of the testimony. I would like to ask, if I may, the head of the NEA or the representative, Mr.

Melley a question. I represent a North Carolina district and there has been a substantial effort by NEA to include kindergartens into the schools which obviously would increase the number of teachers and representatives of your group.

At the present time, I know that they are pushing for the schools to become more involved in day care by using the buildings that are there, and also, possibly adding members to your organization.

Is this what you consider the most efficient method of providing day care? Obviously, the buildings are there, but what about the people you are going to be using as teachers. I have a day care center that my wife and I have been involved with in North Carolina for about fifteen years. The pay scale of the regular workers that work in day care—these are dedicated women who usually have been welfare mothers, but their pay is maybe one-quarter of what a teacher's pay is.

Is it possible, with this $2.5 billion authorized in the bill, to create day care in the schools with teachers, certified teachers and so forth, to cover any number of students? As far as I can tell, it would be really almost minute in the number that would really be able to be served.

Obviously, that is somewhat of a political statement, but I would love to have your answer to it.

Mr. **Melley**. Mr. Ballenger, our motivation in North Carolina, as in many other states, to see that children have an opportunity for kindergarten is not driven by increased NEA membership. It is driven by giving children an opportunity to be exposed to an educational possibility that they have not had and that other children in other states do have.

It is not a motivation of any membership base beyond that. Taking place in a school facility, as child care is being proposed, is a very natural thing to propose, in that the physical structure is there. The personnel that will be staffing that child care facility may or may not be people who would be joining the National Education Association or our affiliate in North Carolina. Again, that is not the motivation.

The motivation is to provide an educational opportunity for people to have their children go through a school program or a preschool program that otherwise might not happen because of the problems that are related to their environment, so that's my response.

Mr. **Ballenger**. Thank you. I have no further questions.

Chairman **Hawkins**. Mr. Sawyer?

Mr. **Sawyer**. Thank you, Mr. Chairman. Let me thank both of the witnesses, both Mr. Melley and Mrs. Waterman, for the clarity and the precision with which you have come to us as advocates for the needs and the principles embodied in the measure before us today.

If I could just be permitted an aside to Mrs. Waterman, anybody who has got a name like Tom Sawyer has got to be sensitive to quotes by Mark Twain.

Ms. **Waterman**. Well, I thought about you, Mr. Congressman.

Mr. **Sawyer**. You are right when you say the difference between the right word and the almost right word is the difference between lightning and lightning bugs, and can also be the difference between life and death.

We have had a series of questions that have brought us closer and closer to a line that has, in our previous considerations of this kind of measure, been somewhat blurred. I suspect that trying to reach that line with precision, without ever crossing it, is important to all of us.

Mr. Perkins touched on it. Across this country, some forty percent of the child care is located in settings that are functionally, for at least part of the week, churches. That causes difficulty.

When I hear the testimony, which I completely understand, about our need, as Mrs. Waterman put it, to be careful about public dollars going to nonpublic religious settings, I wonder how we should approach this situation? In some communities, far more than that forty percent of the day care are housed in church settings. But they may well be nonsectarian in structure. What do we do about providing funding for these centers?

Could either of you walk us toward that line and give us some guidance, within the principles you have talked today, on how to avoid crossing that line?

Ms. WATERMAN. Mr. Chairman and Mr. Sawyer, it is nice meeting you again, Mr. Congressman, from my state.

You are absolutely right. The child care that has been given, as I stated before, has been through churches and through other nonpublic facilities, in many cases. That is why we are excited about H.R. 3 because it does bring that partnership and the public schools into it. I believe that is necessary.

We must get on with that. I think that those institutions that have been performing the care of our children are going to have to have a great deal of oversight. I think that they are going to have to have standards and regulations. If they are going to receive such dollars, there is going to have to be that kind of scrutiny; there is no doubt about it.

I think that the states are going to have to, as the money comes down, make sure that these institutions that are going to be a part of this follow that, and it is something that is going to have to be very carefully watched.

Mr. MELLEY. Mrs. Waterman has referred to the standards, and I would support the statement that she has made there. In addition to that, find a situation where a sectarian facility is used for nonsectarian purposes, one that indeed meets all the standards or the tests of the separation of church and state, and in fact, if we had that type of situation where possibly a contract relationship existed between a provider and the public institution, that guaranteed that there was no issue that would cause the church/state issue to be raised as a negative, I think that's something, at least in the toddler stage, we would take a look at.

Mr. SAWYER. Is it a question of age?

Mr. MELLEY. Well, as I tried to say to Mr. Martinez earlier, it is very difficult to call it a line, from birth to two-and-a-half, three, three-and-a-half. It's very hard to say when custodial care and educational activities take place. Clearly, it is something that we have to examine.

Whether we eventually end up drawing a line or not, I am not sure, but we should talk this completely through.

Chairman HAWKINS. Mrs. Lowey?

Mrs. LOWEY. I, too, would like to thank you for your testimony in helping us solve this dilemma that we face and actually looking seriously at how we are going to provide child care for all those in need.

To some extent, I think to all of us, the use of the educational institutions is very attractive. The facility is there. They are not being used all day. Wouldn't that be good? It makes everything look simple, providing child care without the church/state entanglement.

However, in the real world out there, there is a shortage of child care. I believe it is thirty percent of our providers are within the churches and, actually, in Westchester County, that is not the case, but in some parts of our county, it's a very serious problem.

I just wonder, looking at our public schools, whether they are ready to provide child care on a full-day basis?

You mentioned that there are serious obstacles to it. I wonder if you could address that. Certainly, Mr. Kildee and Mr. Williams touched on this as well, but I wonder if you would elaborate on it, Mr. Melley.

Mr. MELLEY. As indicated in the testimony earlier, of all the proposals that have come along in child care, including one, I brought the testimony of one on the Mondale Bill in 1974 today, where NEA testified in that regard. It is like revisiting the past to hear some of the arguments today and in reading that.

The fact remains that in H.R. 3, we have a vehicle where at least we can address some of the serious concerns that are raised, not only in the area of the church/state issue, but in the standards of implementing child care.

The question of education being imparted to children is clearly a point in the delineation line of concern and consideration as to the church/state issue; however, there is a major concern, for instance, even in the possibility of a sectarian facility or organization providing toddler care. Do they, indeed, discriminate in the employment of the staff that they hire? Do they, indeed, discriminate in the children that might be enrolled in the program?

Well, if we start down that path and begin to ask those questions, then we begin to talk about oversight. If you begin to talk about oversight, you begin to talk about entanglement. There is Constitutional law here that we are conflicting with.

There is not one of us here today who has the clear answer, but I think in the deliberations of H.R. 3, at least we may find a kernel of possibility, especially in the area of toddlers.

Mrs. LOWEY. I guess what I am searching for is, given the shortage of dollars, given the fact that our churches and our sectarian institutions are providing the child care, and given the difficulties associated with full day-care in the schools, shouldn't we allow for child care in sectarian institutions, so long as we have strict provisions regarding nondiscrimination? How do we best deliver these services without creating another whole bureaucracy to our sectarian providers, while maintaining the separation of church and state?

How do we provide those services without creating a huge new bureaucracy or expanding the huge bureaucracy that exists? How do we solve this dilemma?

Mr. **Melley**. Take advantage of the bureaucracy that's already there. In fact, I think that was your lead-in support statement, that in every community there are public facilities and they do not all have to be public education facilities. There are other public outlets that can provide facility access to care programs, be they the toddler programs or early childhood programs.

The fact remains that we should take a very serious look at taking advantage of resources that are in place before examining the opportunities that I think will just balloon if we let it go into the other area.

Mrs. **Lowey**. Thank you.

Chairman **Hawkins**. Mr. Poshard?

Mr. **Poshard**. Thank you, Mr. Chairman and ladies and gentlemen of the committee.

I have listened to the discussion concerning custodial as opposed to educational or social as opposed to educational. I do not think that really should concern us. If I read the research correctly, all that I have ever read shows early childhood education programs we have in place now save us literally hundreds of millions of dollars of remediation for most at-risk students. That's what concerns me, that we get the provisions of a bill like this in place.

While we talk about where we might get the money up front, we are already paying out more money than we can possibly believe through our lack of early childhood education.

I am not just concerned about the at-risk student at the one end of the continuum. I am concerned about the at-risk gifted student, also. I am hopeful that the more solid the provisions of the educational component of the child care, early child care bills, will stimulate our early childhood curriculum to begin to look at the deprivation of these children, too, who go into kindergarten or first grade and who have interests and desire beyond what we are able to give them, simply because the teacher has to be concerned about so many levels of learning at that early age.

I am hopeful that your organizations will insist that we get certified personnel into these child care, early childhood, programs who are concerned not just about custodial care but who have the background and experience and desire to make the educational component a reality, so we begin to deal with the at-risk student at both ends of the continuum.

I think that can't do anything but save us money in the long run and I would hope that your organizations would insist that staffing and certification be a realistic process to produce qualified people who deserve decent salaries in those positions who want to give our children the best.

I think this is probably one of the more important bills that will come before Congress this session. I honestly do, and I know all of the other wonderful things that we deal with here, but this is basic and it is fundamental and it is needed.

So, I would hope that all of us would work together to bring this about.

Chairman **Hawkins**. Mr. Owens?

Mr. **Owens**. I have no questions.

Chairman **Hawkins**. Again, I would like to thank the two witnesses. Obviously, you have invoked a lot of questions. I think you have been very forthright in answering them. We certainly appreciate your contribution. It is the continuing communication that we must have.

I hope that you will continue to provide us with the expertise and the experience of your organizations. Thank you, very much.

Mr. **Melley**. Thank you, Mr. Chairman.

Ms. **Waterman**. Thank you, Mr. Chairman.

Chairman **Hawkins**. The next two witnesses will be a panel of three, consisting of Ms. Helen Taylor, Executive Director of the National Child Day Care Association, Dr. Ann Mitchell, Associate Dean, Bank Street College of Education, Mr. Mark Sullivan, Executive Director of Michigan CCCC, Community Coordinated Child Care.

We welcome the witnesses before the committee and we look forward to a continuation of a very interesting and educational morning.

Ms. Taylor, we will hear from you first.

STATEMENTS OF HELEN H. TAYLOR, NATIONAL CHILD DAY CARE ASSOCIATION; DR. ANN MITCHELL, BANK STREET COLLEGE OF EDUCATION; AND MARK SULLIVAN, MICHIGAN COMMUNITY COORDINATED CHILD CARE

Ms. **Taylor**. Good morning, Mr. Chairman and members of the committee. It is a real pleasure to come before you today to present my comments on the issue of child care.

For the past twenty-three years, I have been involved as an advocate for quality child care services and as a provider of services. Currently, I'm the executive director of the National Child Day Care Association in Washington, D.C., better known as NCDCA. NCDCA is the largest private nonprofit provider of child care services in Washington, D.C., and is also one of the two hundred largest private employers in the District of Columbia.

With a staff of approximately three hundred persons, we provide services for 1200 children, ages two to 14 and their families in 21 centers and two family day care homes. Our services are multidisciplinary and include education, health, nutrition, parent involvement, mental health, handicap and social services.

We receive funds from a variety of sources: the District of Columbia government for our preschool and school-age day care programs, the U.S. Department of Health and Human Services, and the United Planning Organization for our Head Start Programs, the U.S. Department of Agriculture for our nutrition programs, and we also receive money from foundations, parent fees and contributions from interested and caring citizens. Our annual budget is more than $4.5 million.

The demand for more and better child care has mushroomed in recent years as a growing number of women are working or training for jobs. Of the nation's ten major metropolitan areas, the Washington area has the highest concentration of women who work with children under the age of six and the highest concentration of single female heads of households. These families obviously need child care for their children.

Many people are very interested in child care at this time for a whole variety of reasons. This interest is very evident here in the Congress because of the number of bills that are currently being introduced this session. This is wonderful and long overdue.

But, the critical issue from our perspective is: What kind of child care do children and families need? We think these families need quality child care. What is quality care? The answers to this question come from three sources: (1) the research literature related to how various child care arrangements affect children; (2) professionally agreed upon standards of what constitutes quality from such groups as the National Association for the Education of Young Children, the Child Welfare League of America, the National Black Child Development Institute, the Academy of Pediatrics, et cetera; (3) the experience of a National Child Day Care Association in operating quality child care programs for the past 24 years.

The remainder of my remarks will be focused on the experiences of NCDCA. We at NCDCA have found the following characteristics to be essential in quality programming for children.

Number one, staff training in early childhood development and the provision for ongoing staff training within the program.

Two, strong parent involvement component where staff and parents work together as a team and parents are involved in all aspects of the program. Children whose parents are highly involved tend to do better than children whose parents are not involved.

Three, a curriculum that is developmentally appropriate. There are appropriate ways of teaching children the skills they need to learn to be successful at two, three and four, and to build a foundation for the skills they are going to need later in life. There are also inappropriate ways to teach. A developmentally appropriate curriculum takes into consideration how young children learn and develop, the stages they go through, and provides them with appropriate experiences.

Number four, a well-organized physical environment with adequate space indoors and outdoors, and one that is equipped with appropriate supplies and equipment.

Number five, appropriate health, safety, nutrition and food service standards.

Six, staffing patterns that limit group size and child/staff ratios, according to the ages of the children. We have found that in small groups, adults spend more time positively interacting with children than they do in large groups.

In the Association, we use the following ratios. With two-year-olds, we have no more than twelve children in a group with a ratio of one adult to four children; for three-year-olds, a group size of 16 with a ratio of one to eight; for four and five-year-olds, a group size of 18 to 20 children with a ratio of one to ten and, for our school-age programs for children six years and above, ratios of one to twelve.

For some children we have found with special needs, such as emotional problems, children who are abused and neglected, smaller groups and ratios are needed in order to individualize and meet the special needs of these kids.

Seven, evaluation. To maintain quality, there should be ongoing program evaluation and staff evaluation. The children should also be assessed and planning for them should be based on their individual assessments.

Number eight, administration. Quality programs must have effective leadership who is aware of and can implement good program standards and good business practices. Leadership should also be able to relate well to staff, parents and others in the community.

One final element of quality care is staff stability. Research in child development has consistently found that when children are exposed to too many caregivers, they become at risk for social and emotional problems. This is becoming a major problem nationally in child care because of low pay and few or no benefits.

A top priority needs to be the provision of adequate salaries and benefits, so good staff can be obtained and retained. Unfortunately, all child care in this country is not good. It ranges from very, very poor to programs of excellent quality, whether they be in a family day care setting in somebody's home or in a center-based setting. It runs the gamut.

As you deliberate regarding the current legislation before you, you can make a difference in the lives of children and families by providing a mechanism to set minimum standards around group size, child/staff ratios, parental involvement, staff qualifications and training, health, nutrition and safety requirements for children and staff.

Incentives should also be established to aid the various states and territories who do not currently comply with minimum standards to do so. Every child and family who needs child care ought to have access to a quality program, regardless of where they live in this country. Quality child care is an investment in America's future.

In conclusion, there are many needs around child care in this country: the need for infant/toddler care; school-age care; the care for handicapped children, sick children, emergency care; care for children of parents with nontraditional hours; care for children with special needs such as the homeless, the abused and the neglected, as well as for traditional preschool care.

There currently exists a variety of options to meet these needs, but the supply is not sufficient, through center-based care, family day care, in-home care, family day care satellite systems.

We at the National Child Day Care Association truly believe that these needs can be met with quality programs by setting minimum standards and by encouraging the formation of partnerships and linkages between private providers, child care resource and referral systems, employers, Head Start, unions, schools, churches, state and local governments and the Federal government.

Thank you for allowing me the opportunity to share the viewpoint of NCDCA with you.

[The prepared statement of Helen H. Taylor follows:]

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Statement of Helen H. Taylor
Executive Director, National Child Day Care Association
Before the Committee on Education and Labor
U.S. House of Representatives
April 5, 1989

Good morning, Chairman Hawkins and members of the committee, my name is Helen H. Taylor and it is my pleasure to come before you today to present my comments on the issue of child care.

For the past twenty three years, I have been involved as an advocate for quality child care services and as a provider of services. Currently I'm the executive director of the National Child Day Care Association better known as NCDCA.

NCDCA is the largest private non profit provider of child care services in Washington, DC and is also one of the two-hundred largest private employers in the District. With a staff of approximately 300 persons we provide services for 1200 children ages 2 to 14 and their families in 21 centers and two family day care homes. Our services are multi-disciplinary and include education, health, nutrition, parent involvement, mental health, handicap, and social services. We receive funds from a variety of sources, the District of Columbia government for our pre-school and school age day care programs, the U.S. Department of Health and Human Services and the United Planning Organization for our Head Start programs, the U.S. Department of Agriculture for our nutrition programs, foundations, parent fees, and contributions from interested and caring citizens. Our annual budget is more than 4 1/2 million dollars.

The demand for more and better child care has mushroomed in recent years as a growing number of women are working or training for jobs. Of the nations ten major metropolitan areas, the Washington area has the highest concentration of women who work with children under the age of six and the highest concentration of single female heads of households. These families obviously need child care for their children. Many people are now interested in child care for a variety of reasons. This interest is very evident here in the Congress because of the number of child care bills that have been introduced this session. This is wonderful and long overdue but the critical issue from our perspective is - what kind of child care do children and families need? We think these families need quality child care. What is quality care? The answers to this question come from three sources: (1) the research literature related to how various child care arrangements affect children, (2) professionally agreed upon standards of what constitutes quality from such groups as the National Association For the Education of Young Children, Child Welfare League of America, National Black Child Development Institute, Academy of Pediatrics, Association For Childhood Education International, etc., (3) the experience of National Child Day Care Association in operating quality child care programs for the past 24 years.

We at NCDCA have found the following characteristics to be essential in quality programming for children:

1. Staff training in early childhood development and the provision for ongoing staff training within the program.
2. Strong parent involvement component where staff and parents work together as a team and parents are involved in all aspects of the program. Children whose parents are highly involved tend to do better than children whose parents are not involved.
3. A curriculum that is developmentally appropriate. There are appropriate ways of teaching children the skills they need to learn to be successful at 2, 3, and 4, and to build a foundation for the skills they are going to need later in life. There are also inappropriate ways to teach. A developmentally appropriate curriculum takes in consideration how young children learn and develop, the stages they go through and provides them with appropriate experiences.
4. A well organized physical environment with adequate space indoors and outdoors and one that is equipped with appropriate supplies and equipment.
5. Health, safety, nutrition and food service standards.
6. Staffing patterns that limit group size and staff/child ratios according to the ages of the children. We have found that in small groups adults spend more time positively interacting with

children than in large groups. We recommend groups for 2 year olds with no more than 12 children and a ratio of 1 adult to 4 children, for 3 year olds 16 children with a ratio of 1 to 8, 4 and 5 year olds 20 children with 1 to 10. 6 year olds and older 1 to 12. For some children with special needs - emotional problems, abuse and neglect, smaller groups and ratios are necessary to meet individual needs.

7. Evaluation - To maintain quality there should be ongoing program evaluation and staff evaluation. Children should also be assessed and planning for them should be based on their individual assessments.
8. Administration - Quality programs must have effective leadership who is aware of and can implement good program standards and good business practices. The leadership should also be able to relate well to staff and parents.

One final element of quality care is staff stability. Research in child development has consistently found that when children are exposed to too many caregivers they become at risk for social and emotional problems (Egleland, Farber, Kontos, Rutter). This is becoming a major problem nationally in child care because of low pay and few or no benefits. A top priority needs to be the provision of adequate salaries and benefits so good staff can be obtained and retained.

Unfortunately all child care in this country is not good. It ranges from very very poor to programs of excellent quality whether they be in a family day care setting in somebody's home or in a center based setting. It runs the gamut. As you deliberate the current legislation before you, you can make a difference in the lives of children and families by providing a mechanism to set minimum standards around group size, child/staff ratios, parental involvement, staff qualifications and training, and health nutrition and safety requirements for children and staff. Incentives should also be established to aid the various states and territories who do not currently comply with minimum standards to do so. Every child and family who needs child care ought to have access to a quality program regardless of where they live in this country. Quality child care is an investment in America's future.

In conclusion, there are many needs around child care in this country, the need for infant/toddler care, school age care, care for handicap children, sick children, emergency care, care for children of parents with nontraditional hours, care for children with special needs such as the homeless and the abused and neglected as well as traditional preschool care; and there are a variety of options to meet these needs, center based care, family day care, in-home care, family day care sattelite systems. We at NCDCA truly believe that these needs can be met with quality programs by setting minimum standards and by encouraging the formation of partnerships and linkages between private providers, child care resource and referral systems, employers, Head Start, unions, schools, churches, state and local governments and the federal government. Thank you for allowing me the opportunity to share the viewpoint of NCDCA with you.

Chairman HAWKINS. Thank you, Ms. Taylor. The next witness is Dr. Anne Mitchell.

Ms. MITCHELL. Mr. Chairman and distinguished members, I am honored to testify before you today. I want to let you know that my perspective on these issues is both professional and personal. I have just completed a three-year national study of public school programs for children under five.

I have eight years of experience directing child care centers. My husband works and we are the parents of a five-and-a-half year old daughter who has been in child care programs since she was ten months old.

As you know, young children have become a focus of concern throughout society. The educational needs of ever-increasing numbers of disadvantaged children and the growing need for child care for families in all income levels are trends that cannot be ignored.

Both of these have been the focus of state policy making over the past decade. Along with expanded state child care efforts, the number of states that fund pre-kindergarten programs has increased dramatically, nearly quadrupling in ten years.

In 1989, 31 states had appropriated funds for state initiated pre-kindergarten programs and/or directly contributed to Head Start programs in their states as compared with only seven states in 1979.

The public school study, which I co-directed, was an effort to describe these state initiatives and the current role of public schools in providing early childhood programs. I brought four sets of our reports to leave with you.

First of all, I think it is important to know that in contrast to the education system for kids five and over, the public school system, early childhood services are delivered through a diverse array of public and private organizations financed by a mixture of public and private funds.

The regulator systems governing them differ by the programs auspice and funding source as do the criteria for determining children's eligibility. This diverse collection of services is the early childhood system as we know it today.

There are close to 350,000 early childhood organizations operating at the United States today including about 2,000 public school districts and almost 200,000 family day care homes. The early childhood system is a multi-billion dollar enterprise in which public school operated programs currently represent roughly three percent of the whole.

Public schools are a small but essential element in the early childhood system. I believe this system operates much like an ecology in that all the parts of the system are related to each other and are interdependent. When we change one part of the system, we are naturally affecting the other parts.

Let me talk a little bit about the findings of our study, what public schools are doing as providers of early childhood programs. First, the state funded pre-kindergarten programs in the 31 states are mainly part-day school year only programs for at risk four-year-olds.

Some do enroll children between three and five but the vast majority of children served are four. These are almost always administered by state education departments with some notable exceptions—the state of Washington, New Jersey—and are provided by public school districts.

However, half of these states permit other community agencies other than public schools to operate these programs. This is common in the newer state programs and it's definitely a trend.

Together these programs in these 31 states amount to a state investment of about, total, $300,000,000. Compare that with the $1 billion Federal expenditures for things like the dependent care tax credit.

Although there is a lot of variation among these programs, the ones that do specify and provide funding for a reasonably good quality program, meaning the kinds of things that Helen discussed, staff/child ratios, well trained teachers, appropriate curriculum, they are a resource for extending the benefits of early education to greater numbers of disadvantaged young children.

Only about one-third of these state programs, in fact, fund and specify that kind of program. Local school districts, as operators of pre-kindergarten programs, behave much like any other member of the early childhood ecosystem.

They respond to funding opportunities and to the express needs of communities they are operating in. Currently, something close to one-fifth of all U.S. school districts are involved in this.

These education agencies operate an incredibly wide variety of programs, not only state funded pre-kindergarten programs, but those funded with state, Federal and local sources including parent tuitions.

The basic aspects of the quality of these programs in our study appeared to be reasonable and within the bounds of good practice set by the early childhood profession. However, in our studies in which we looked at school districts directly and observed classrooms, they suggest that the quality of some of these programs is not good enough.

There is an excessive focus on cognitive curricula to the exclusion of choices for children and play and good early childhood practice. There is generally a lack of comprehensive services which is very important for disadvantaged children except in those Head Start programs operated by public schools.

Now it is clear that public schools have been a part of the early childhood system for a long time, although a small part. I think the way to look at what has happened in the last five or ten years is that their role has expanded somewhat in the early childhood system.

We are not moving the early childhood system into the public schools. The expansion of these programs has slowed a great deal. It seems quite likely that public schools are going to continue to provide something like the mix of services they now do.

Under current Federal categorical programs such as education for the handicapped, Chapter I, under great deliberation I found out finally that Chapter I served 57,000 pre-kindergarten children in the '86-'87 school year.

Public schools are going to continue to be Head Start providers. They are going to continue to offer child care services, some funded with parent tuitions and some through the subsidized child care systems in their state.

The number of schools that provide child care for the children of teenage students will probably increase, given the provisions of the Family Support Act. This is a population, young students and their children, that is logically and very easily served by schools. A majority of these kinds of programs are in schools.

It seems likely that the state funded pre-K programs will continue to expand slowly as their annual appropriations increase. A few states will create new programs. The rapid increase is slow.

I was asked to make some remarks about financing mechanisms and coordination efforts. Financing mechanisms for early childhood services that limit service provision to public schools are usually put in place because legislators feel that that is a way to specify that the program is educational without having to set up a whole new set of regulations.

In fact, the public education system is where public dollars generally go for kids five and over. However, in the early childhood arena, there are many publicly supported, regulated, accountable, educational systems such as Head Start, subsidized child care programs that are outside the public school system and that merit your attention as vehicles for the delivery of early childhood services.

From our study, we found that the most effective financing mechanisms for state pre-kindergarten programs for those that make maximum use of the entire early childhood system, meaning many providers are eligible to apply for the funds, offer reasonable funding levels and clearer programmatic requirements so the program is a reasonable quality and those that encourage shared responsibility for funding by requiring local matches and by encouraging the merging of funds from various sources.

In terms of the expansion of pre-K programs in the sort of direction that states are moving, many state policy makers are beginning to look at child care programs as educational opportunities and look at educational programs and recognize the child care function that these fulfill.

They are looking at child care and education as being related, if not inseparable, items. They are also really concerned about the proliferation of different programs that need to coordinate them.

In the context of early childhood, coordination means a lot of different things. First it means cooperative planning so that implementing new programs is done within the existing system and you don't duplicate, you maximize resources.

Second, coordination means offering comprehensive services, meaning that one local agency is responsible for the delivery of services either directly or through referral, but one agency is responsible for seeing that the child gets the services he or she needs.

Coordination also refers to efforts to combine services and funds in order to meet full working day child care needs. Last but not least, coordination often attempts to make the early childhood system more of a system, to treat it as a whole and work for greater consistency among its parts.

Coordination, we found, was particularly critical to local level and communities where the child is, where the services are actually delivered. Coordination at the local level does occur, however, mostly as the direct result of state mandates. People don't coordinate unless they are told to. The degree to which it's mandated varies greatly.

Based on our study, we would say that coordinating mechanisms that are mandatory, that involve both state and local procedures that are linked together and that are quite specific about who has to be involved in the coordination effort and precisely what the tasks are, are the ones that work best.

Ones that are vague don't work well; ones that are not connected between the state and local level don't work as well. Some states are really moving toward coordinated delivery of services beyond coordinated planning.

Some of these are—Iowa has passed something called the child development coordinating council. An office of early childhood services is being discussed in New York State. Virginia recently enacted a council on child day care and early childhood programs.

It seems to us from our study that state actions are going to continue to be one driving force in our nation's response to the need for better education and for more child care opportunities.

Driven by their different economic and social conditions, states are going to create new programs in response to whatever unique forces are at work in their states. This problem is one that is national in scope.

It reflects broad changes in society not only in one state or another. State by state solutions to a national problem are rarely the optimal way to go. Federal action specially funding is necessary.

Developing an early childhood system state by state will tend to reinforce the wide differences that exist in quality and availability of programs. I believe a Federal role beyond funding is necessary.

Federal policy direction, although it's not as welcome by states as Federal dollars, is a strong and quite positive influence on the action of states. I think the essential question facing us is, how can we expand the supply, improve the quality increased access, to early childhood services that are in the best senses both educational and caring for all children but especially for disadvantaged children.

When we respond to this question, we have do it in light of the needs of children, the needs of their families, and understand that the early childhood system that we have got is an ecological system.

So, the principals that I would lay before you in considering the various child care bills is that children need quality. They need continuity. They need a comprehensive program.

Quality means no matter how many hours a day, no matter whether the program is called educational or called child care, the quality has to do with small group size, favorable staff/child ratios, well trained staff, a curriculum, strong parent participation and leadership.

Learning is a natural function for children. They learn all the time. It's happening all through the day, not just in the parts that we call education. Good teachers working as partners with parents supported by effective leaders together create good programs for children.

Continuity is a really important issue in programs for young children. It has essentially two dimensions. One is the numbers of transitions and different sets of people that a child encounters in one day and how easy those transitions are made; and the coherence over time between the different approaches that a child gets from one program to the next, meaning from pre-kindergarten to kindergarten, between kindergarten and first grade, et cetera.

The most stable program from a child's perspective is being with the same group of children with the same staff for most of the day in the same location and that that staff is stable throughout the year. Remaining in a familiar setting from year to year is a more stable situation from a child's perspective.

A comprehensive program is one, like the Head Start program, that provides health services, social services, nutrition and transportation which is often necessary in order for a child to get the services.

The principals of legislation from a parent's perspective, I think, are that parents essentially want good programs for their children. They want the best for their children. Parents are looking for programs that respond to both their desire for education and their need for child care.

They are not looking for them in different places; they are looking for them in the same place. Parents want choices. Not all families want same services. Parents deserve choices that reflect the cultural diversity of this nation, the full spectrum of family values regarding child bearing and the differential needs of individual families.

In addition, parents want affordable programs that are conveniently located, that are easy to find. From the parent's perspective, early childhood policy is really about ways and means, ways to know what a good program is, to find the ones that reflect their values, and to choose the best one; the means, sufficient funds to pay for the programs that they choose.

From the perspective of the early childhood system which I believe is an ecological one, public policy has to be guided by quality and unity. There is a growing concern with the quality of all programs for young children whether they are in public school settings or other settings.

No one form of early childhood program has a monopoly on quality. Community based non-profit programs are not inherently better than community based for-profit programs nor are public school operated programs better or worse than those operated by any other agency.

There is much more variation of quality from one state to another or within one form of programs and among different forms. This problem of quality is pervasive and it is system wide. Legislative solutions have to recognize this fact and deal with quality improvements across the early childhood system.

It may be necessary to target a larger than proportionate share of resources to some forms of programs than to others. Our goals should be to ensure uniform quality for every child no matter where or by whom or with which funds the early childhood program is provided.

In short, optimal early childhood policy responds to the best interest of the child, the family and the ecological early childhood system. The principles that I have outlined, quality and continuity for children, sensible affordable choices for parents and equitable use of resources within the early childhood system are reflected to some degree in each of the various child care bills before you.

New early childhood policies, funding streams, programs have power. You have the power to carefully weave the parts of the early childhood system into a stronger network of support for children and families or to further fragment and divide it.

Recognizing the distinct parts of the system is an important step. Optimally, Federal early childhood legislation should regard the entire early childhood ecosystem as the appropriate focus for expanding and improving early childhood programs and should allocate sufficient fiscal resources to help families pay for the programs they choose for their children.

Such legislation should promote parental choice, support parental desire for quality programs, recognize the strengths and correct the weaknesses in the system, define and require a uniform level of quality, promote continuity for children, complement existing funds and programs by drawing them thoughtfully together and to encourage linked planning and coordination among the Federal, state and local levels.

The best bill would take the family's perspective. Parents want affordable programs compatible with their values that combine care and education in one convenient location. All families deserve choices among viable alternatives and enough money to exercise their right to choose.

There is a clear need for Federal action. Your leadership can provide a model of integrating care and education of young children that states can emulate in their continuing development of early childhood policy.

The solutions you craft will have to consider the perspectives of the child, the family and the early childhood system. Community institutions of all sorts will have to respond to shoulder their share of responsibility for making high quality childhood programs available and accessible.

I think using all of our resources wisely we can do it. Thank you very much.

[The prepared statement of Anne Mitchell follows:]

Testimony submitted to the
U. S. House of Representatives
Committee on Education and Labor
Washington, DC
April 5, 1989

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Young children have become a focus of concern throughout society. Demand for child care comes from families at all income levels who are seeking to satisfy their combined desires for good education and socialization for their children and for care during their work hours. Demographic projections point toward a future society in which ethnic minorities, traditionally disadvantaged, will become the majority in some areas, as they already are in many urban schools. The educational needs of ever-increasing numbers of disadvantaged children and the growing need for child care, fueled by dramatic changes in family life, are trends that cannot be ignored. Both have been the focus of state policymaking over the past decade.

Along with state child care efforts, the number of states that fund prekindergarten programs has increased dramatically--nearly quadrupling in ten years. By 1989, thirty-one states appropriated funds for state-initiated prekindergarten programs and/or for direct contributions to Head Start programs in their states (as compared with 7 and 4, respectively, in 1979). The attached table lists states with prekindergarten programs and those that contribute to Head Start as of mid-1989.

The Public School Early Childhood Study was a three year national effort designed to describe these state efforts and the current role of public schools in providing early childhood programs for children younger than kindergarten age.

The Early Childhood Ecosystem

In contrast to the educational system for children five and over, early childhood services are delivered through a diverse array of public and private organizations operating programs which are financed by a mixture of public and private funds. The regulatory systems governing these programs differ by the program's auspice and funding source(s), as do the criteria for determining children's eligibility. This diverse collection of services for children under five is the early childhood system as it is currently constituted. There are close to 350,000 early childhood organizations in existence today (including the estimated 197,000 family day care homes in the U.S.).[1] This a multi-billion dollar enterprise in which public school-operated programs represent roughly 3% of the whole. Public schools are a small but essential and growing element in the early childhood system.

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[1] Wilson, M. (1989). *A strategic overview of the early childhood market.* Los Angeles: Mike Wilson List Counsel.

Looking at the current community of providers of early childhood services from an ecological perspective, one can see an early childhood "ecosystem" of sorts. The term *ecosystem* implies having many parts (or subsystems) that are both interrelated and in dynamic relationship to each other, that is, the subparts are interdependent. If one part changes itself (or is changed by outside forces), the other parts of the ecosystem necessarily change in response.

This early childhood ecosystem has evolved over time and consists of all the child care and early education services, part-day and full-day, operated under public, private, or religious auspices, whatever their name--playschool, nursery school, child care center, early learning center, prekindergarten, early care, preschool, Head Start, day care, child development center, family day care home, etc. What the program is called, or where it is housed, are *not* indications of its quality. Instead, name and location are indications of the program's present purpose or intent (i.e., nursery school generally implies part-day while day care center means indicates longer hours) or clues to its historical origins (e.g., *day nursery* implies origins in the day nursery movement of the early part of the century, while *Head Start* obviously indicates a more recent program probably dating from the mid 1960s).

However, the components of the existing early childhood system--the child care centers, family child care homes, nursery schools, and other formal and informal services--are simply not enough in number or sufficiently rich in resources to do the work of educating and caring for all of our young children. The supply of services must be expanded and the quality of services improved throughout the ecosystem. Regardless of nomenclature, all of these programs serve young children, they are more alike than different, and each has the potential to offer good early childhood services.

Good early childhood programs

All children deserve a minimum guarantee of a good early childhood program. The various longitudinal studies of early childhood programs for disadvantaged young children have shown that high quality early childhood programs can produce positive long-term gains for children. High quality programs must have well-trained, caring teachers working with small groups of children. Parent involvement is an essential component of successful programs for young children. School policies, staff attitudes, and parents' expectations work together to determine how responsive a program can be. The changing nature of family life in

America demands innovative approaches to involving parents and responding to their needs as well as to their children's.

The best early childhood programs (i.e., those that deliver higher quality service to children, satisfy parents, and earn the respect of the overall early childhood community) are characterized by strong leadership. As in all effective education, the leader is a critical ingredient. Good teachers--working as partners with parents--supported by the leadership of effective administrators together create good programs for children.

Public Schools as Providers of Early Childhood Programs

State-funded prekindergarten programs are mainly part-day, school-year programs for at-risk 4-year-olds. They are nearly always administered by state education departments and provided by public school districts. However, about half of the states permit other community agencies to operate these programs. This is a more common practice in the newer state programs (e.g., New Jersey's two newest programs, both of Florida's, and those in Vermont, Massachusetts and Washington).

Together, the prekindergarten programs and contributions to Head Start in the 31 states that are involved amount to a combined state investment in young children of over $300 million annually. Although on a decidedly more modest scale financially compared to the multi-billion federal expenditures (e.g., for Head Start, the Social Services Block Grant and the Dependent Care Tax Credit), the states have led the way on early childhood policy development and new investments in early childhood programs in the 1980s.

Although there is much variation among state-funded prekindergarten programs, those that specify and fund a reasonably good quality program (e.g., favorable staff:child ratios, well-trained teachers, comprehensive services, an appropriate curriculum for children, local coordination mechanisms) represent a promising resource for extending the benefits of early childhood education to greater numbers of disadvantaged young children. About one-third of the state prekindergarten programs appear to offer this promise, notably the longstanding programs in New York and California and the newer programs in Washington, New Jersey, Massachusetts, South Carolina and Illinois.

Local school districts, as operators of prekindergarten programs, are much like any other member of the early childhood ecosystem--responding to funding opportunities and to the expressed needs of their community. Currently, only about one-fifth of all U. S. school districts are involved. These local education agencies operate a wide variety of early childhood programs funded solely or from a combination of federal, state and local sources including parent tuition. Basic aspects of program quality--the average class sizes and staff:child ratios--for all types of public school-operated programs were reasonable and within the boundaries of good practice set by the early childhood profession.[2] However, our Case Studies suggest that the quality of some of these programs--as well as others outside public schools--is not sufficient (e.g., excessive cognitive focus of curricula, lack of choices for children, excessive teacher direction).[3] The general lack of comprehensive services (e.g., no meals, little use of specialists, no transportation) except in Head Start programs is a continuing concern since at-risk children have many needs that must be met in order to ensure their educational success.

The Role of Public Schools in the Early Childhood System

Public schools have been a part of the early childhood system for years--albeit a small part. Within the last five years their role as providers of programs for prekindergarten-aged children has grown and probably will continue to expand. Simply put, the public school system is a member of the early childhood ecosystem whose role is expanding; the early childhood system is not moving into the public schools.

Public schools will continue to provide services to young children through the current categorical federal programs (e.g., Education for the Handicapped especially the new provisons of PL 99-457; and Chapter I, which has always permitted prekindergarteners to be served and in fact did serve over 57,000[4] in the 1986-87 school year, will serve more through its new Even Start program). Public schools will continue to provide a portion of Head Start programs; currently about one-fifth of all Head Start programs are operated by public schools.

Public schools will continue to offer child care services supported primarily by parent fees as a few now do in upper- and middle-income communities with declining school enrollments (i.e., those with available school space and a population that can afford to pay the full cost of child care services). Public schools will continue to offer child care services funded through their state's subsidized child care program, as a few now do in some states, notably California. An increasing number of public schools, mainly in larger urban school districts, now offer child care services to adolescent student/parents. The number will likely increase with the renewed emphasis on teen pregnancy prevention and student retention combined with the provisions of the Family Support Act of 1988 regarding education for young parents. This is a population--student/parents and their very young children--that is logically and easily served by the public schools. In fact, the majority of existing programs for these young parents are in public schools.[5]

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[2] Mitchell, A. (1988). . *The Public School Early Childhood Study: The District Survey.* New York, NY: Bank Street College.

[3] Mitchell, A. (1988). . *The Public School Early Childhood Study: The Case Studies.* New York, NY: Bank Street College.

[4] Personal communication with Carol Chelemer, Education Program Specialist, Compensatory Education Programs, (November 30, 1988).

The current array of state-funded prekindergarten programs will continue to expand slowly as their annual appropriations increase and as a few more states create new programs. Some states are expanding their programs more rapidly than others. For example, Florida's program, originally funded at $700,000 in FY87, is funded at $22.9 million for FY89; Michigan moved from $2.3 million in FY87 to $15 million in FY88; Illinois doubled its prekindergarten appropriation from FY88 to FY89.[6]

It seems likely that most state-funded prekindergarten programs will continue to be targeted to poor or at-risk children mainly. But not all will be operated by public schools. There is a clear and growing trend toward inclusive conceptions of eligible providers of service. Thirteen states currently permit agencies other than public schools to receive funds and to operate their prekindergarten programs.

Financing Mechanisms for Early Childhood Programs that Reach Beyond Public Schools: Subcontracts and Direct Contracts

A financing mechanism that limits service provision to public schools is sometimes perceived by policymakers as a way to ensure that programs are "educational" without specifying a whole set of program regulations. Public school is perceived as synonymous with education; the public education system is where public funds for educational programs go. While this is generally true for kindergarten through grade twelve; it is not the case for children younger than kindergarten entry age. In the arena of early childhood--that is, children under age

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5. Marx, F., S. Bailey, & J. Francis (1988). *Child care for the children of adolescent parents: Findings from a national survey and case studies.* Working Paper No. 184. Wellesley, MA: Wellesley College Center for Research on Women.
6. Marx, F. & M. Seligson (1988). *The Public School Early Childhood Study: The state survey.* New York, NY: Bank Street College.

five--there are many publicly supported, regulated, accountable, educational systems (e.g., Head Start, child care programs) outside the public school system that merit the attention of policymakers as vehicles for the delivery of early childhood services.

Financial decisions--particularly funding mechanisms and allocation formulas--have consequences, intended or not, for the whole early childhood system. A new early childhood funding stream, even if it is intentionally limited to public schools or only to Head Start operators, will affect the whole early childhood system. The purpose of the new program may be to expand the opportunities for quality child care for poor children. If the new funds appropriated to meet this objective are restricted to one type of service provider, they will make use only of that limited portion of the early childhood system, automatically increasing that provider's share of the early childhood market, and bypassing other parts of the system which might be equally capable of meeting the objective (and may even undermine or destroy these other service providers). Clearly specifying the purpose of a new effort and then capitalizing on (and extending) the strengths of the whole system to meet the purpose is a more efficient strategy than assuming that one part of the system is more able than other parts.

In the best case, using the diversity of the early childhood system results in choices--both for parents looking for what best suits their child and for policymakers looking for options to satisfy different policy objectives. The diverse system that has been allowed to evolve is the product of the differences among communities. The system varies from one community to another and has proven to be adaptable to changing conditions in those communities. A single source delivery system, although easier to understand, offers one choice with no alternatives and is less adaptable.

Financing is Linked to Administration

Decisions about administrative auspices for a program and its financing mechanisms are not independent of one another. Finance mechanisms for state-funded prekindergarten programs usually follow directly from: 1) the choice of administrative auspice, 2) whether the prekindergarten program is limited to public schools only, and 3) whether the program is targeted, e.g., designed to serve a particular group of children at-risk.

Auspices and Limitations. State-funded prekindergarten programs administered by state departments of education (especially those which were not designed as interventions to affect the later school success for disadvantaged children) and those that are limited to public schools (even if they are for disadvantaged children) are essentially extensions of local control over education and use financing mechanisms familiar to public schools--usually formula reimbursements or sometimes grants.

Targeting. State-funded prekindergarten programs that are targeted to disadvantaged (at-risk) children generally have programmatic regulations. Targeted prekindergarten programs are more likely to use a grant or contract method of financing in order to ensure that local operators follow the programmatic regulations. Some use competitive processes for distributing funds; others do not. Some of the later targeted prekindergarten efforts of states (e.g. Washington) do not rely primarily on the public education system, but rather on Head Start and other comprehensive community-based programs.

Currently, 13 of the 27 states with state-funded prekindergarten programs permit community agencies other than public schools to operate their prekindergarten programs.

Funds to public schools with subcontracting permitted; targeted programs

South Carolina, Illinois, Massachusetts, Florida, Kentucky, and Colorado target their prekindergarten programs for at-risk children and permit local public school districts to subcontract for services with other community agencies such as Head Start, child care centers, or other local early childhood programs.

However, permission to subcontract does not necessarily mean that local districts use this option for providing services. Both the competitive grants process and noncompetitive allocation formulas are used by states in this group. It is possible that the method of reimbursement (allocation vs. competitive grants) may also act to inhibit, or encourage, the subcontracting process. Districts funded under an allocation or formula reimbursement mechanism are possibly less likely to engage in either the effort or the documentation necessary to include non-public school agencies in the program via subcontracts. The use of competitive grants may make subcontracting more likely if the community agency is seen as offering an edge in securing the grant, or if school/community collaboration is specifically rewarded in the grantmaking process.

Both subcontracting and direct contracting permitted with community agencies

Seven states which target their programs to at risk preschoolers currently allow Head Start and other community agencies to apply directly to the state administering agency for funds through a competitive grant process. The programs in California, West Virginia, Vermont, and Oregon are administered by State Departments of Education, while programs in Washington, Alaska, and one of two programs in New Jersey are under the administrative auspices of other state agencies. Subcontracting by public schools can proceed under other funding mechanisms (i.e., allocation formulas or non-competitive grants), but direct contracting to community agencies other than public schools requires a competitive grant process.

Examples of Contracting Administered by state departments of education. In **California**, the state-funded preschool program, which provides a half-day program for 3- to 5-year-olds, was authorized in 1966 as part of the school code. The intent of the program is to serve low-income children in order to facilitate later school success. The program is administered by the State Department of Education (DOE), as are other child care and child development programs in the state. In FY88, $35.5 million was appropriated for the prekindergarten program.[7] State reimbursement is made on a per child basis; the amount programs receive is based on enrollment. School districts and school boards may also contract with other organizations (both private non-profit and for-profit agencies may be used) to provide services. Non-profit organizations may also contract directly with the Department of Education. Programs are not required to provide a local match and the majority are 100% state funded, although a few programs use local funding as well. In FY 1987, approximately half of the 186 contracts for the prekindergarten program were with organizations other than public school districts.

In May of 1987, **Vermont** enacted legislation for prekindergarten programs, beginning in September, 1987, to serve disadvantaged 3- and 4-year-olds, with priority to those children with special needs. Twenty percent of the first year's funds ($100,000) is restricted to support programs using mainstreaming models for handicapped 3- and 4-year-olds; this restriction is designed to begin to bring the state into compliance with PL 99-457. The remaining 80% of the funds is available to serve children who are economically disadvantaged (i.e., families with incomes up to 125% of the state median income), have limited English language skills, or have suffered from, or are at risk of, abuse and neglect. Grants are awarded competitively, with priority given to communities with the greatest needs. The goal of the program is to extend existing successful programs to serve additional children with unmet needs.

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[7] If all the prekindergarten programs administered by the Department of Education (e.g., Children's Centers and other full-working day programs) were included, California's total expenditures on early childhood programs would far exceed those of any other state.

Allowable expenses include salaries, administrative costs, social, health and nutritional services, and parent education. Transportation is an allowable expense and must be part of the program design. No local cash or in-kind match is required.

School districts, family centers, Head Start, private preschools and child care centers are eligible to apply directly for funds; grantees may also subcontract for services. Applicants for funds must show evidence of need and demonstrate that they will engage in a collaborative effort with other programs or agencies in the community. Eleven programs were funded in the first round of applications, several of the programs were for the full working day. Half of those funded were school district operated programs; one was a Head Start program. The legislature increased the appropriation to $500,000 for the second year of the program and to $1 million for the third year.

Examples of Contracting Administered by state agencies other than education. Washington's legislation authorized $2.9 million for FY 1987 to establish the State Early Childhood Education and Assistance Program (ECEAP) to serve 1,000 four-year-olds from families at or below the federal poverty level. ECEAP is administered and regulated by the Department of Community Development's (DCD) Division of Community Services, which also administers the state's contribution to Head Start.

Eligibility for the program is based on age and family income only. Four-year-olds whose families meet the federal Head Start poverty level guidelines are eligible. Grants are competitively distributed through a Request for Proposal process. School districts, Head Start, non-sectarian child care and preschools, and newly established community-based projects may apply for funds. School districts may also subcontract to provide services. Applicants are expected to demonstrate the level of unmet need in their communities as well as linkages with schools and the private service sector. Priority is given to counties with a high percentage of families below 100% of the federal poverty level whose children are not being served in existing intervention programs. The ECEAP Advisory Committee determined that 60% of available funds are to be set aside for counties where 20% or fewer eligible children are served by Head Start. The remaining 40% of funds is available to counties serving more than 20% of eligible children. A more recent policy change by the Advisory Committee sets aside 10% of the slots (or at least 200 slots) for migrant or Indian children. No local funding match is required, but in-kind contributions are strongly encouraged.

ECEAP grants cover costs for space (including renovation), teaching staff, administration, health, social and nutrition services, transportation, parent education, home visits, program monitoring and evaluation. There is no charge to parents for program services. During the first program year, total program costs (for administration and operation) supported with ECEAP funds were not permitted to exceed $2,700 per child enrolled. This ceiling was removed in the FY 1988-89 reauthorization. Administration costs are limited to no more than 15% of the total contract. Additional funding is available to ECEAP programs for the education and training of staff. Programs may receive up to $50 per year for each child enrolled to support staff development activities.

Programs may provide half-day, or full-school-day, or full-working-day services. First and second year grantees are providing only half-day programs of three hours or less per day. Only one full-working-day program received ECEAP funding; the child care portion of the program is funded by the state Department of Social and Health Services.

New Jersey's first prekindergarten grants program was a comprehensive child development program for at-risk 3- to 5-year-olds similar to Head Start. Ninety percent of the children served must meet Head Start income guidelines; 10% may be handicapped. The same eligibility priorities used for Title XX/SSBG child care apply to the new state initiative: protective service cases; handicapped children; children of teen mothers; children of single parents participating in education or training programs, particularly those participating in the state employment and training program (REACH); children from low-income single or two-parent families where the parent(s) works and no one is available to care for the children. The program is administered by the Department of Human Services, Division of Youth and Family Services. Application for program funding is via a Request for Proposal to county Human Service Advisory Councils. Priority is given to Head Start programs to expand their programs to full-year, full-working-day programs, but public schools, private non-profits and Title XX/SSBG-funded child care centers may also apply.

The third, and newest, of New Jersey's prekindergarten programs was created in 1988, with an FY 89 appropriation of $10 million. Head Start agencies and public school districts are eligible to apply. Program standards and child eligibility guidelines for this program are the same as for Head Start. It is designed to be a comprehensive, full-working-day child development program. This new program is jointly administered and jointly funded by the Department of Education *and* Human Services.

Conclusions in Regard to Financing

The various models and funding mechanisms used by the states for their prekindergarten programs serve different needs and reflect different priorities for service provision. The most effective financing mechanisms make maximum use of the entire early childhood system in a state (or community), offer reasonable funding levels and specify clear programmatic requirements that help to ensure quality, and encourage shared responsibility for funding by requiring local matches tailored to community fiscal ability.

The combination of grants or contracts and the ability to both contract directly and through subcontracts with the public schools would appear at present to provide the best solution to ensuring both competition and diversity among programs, as well as coordination between programs serving similar populations. California, Vermont, and Washington serve as examples of what can be achieved in terms of expanding the delivery sources of prekindergarten services to include community agencies, while maintaining state control over the content of the program. However, while this may be an effective means of testing experimental programs or different models of service provision, it may also give unfair advantage to sophisticated community organizations and school districts with the capacity for writing successful proposals. What is needed, if these models are to be used as a basis for legislation, are 1) technical assistance to local agencies in the proposal development, planning and implementation phases, and 2) an allocation process which provides school districts and other community organizations in high-poverty areas with special inducements to participate, while holding all providers to explicit standards for developing programs appropriate for children and for effective coordination with other service providers in their communities.

In terms of the future direction of state-funded prekindergarten programs, there will likely be a modest shift away from part-day toward full-school-day programs as the need for longer hours (to meet child care demands) is recognized. Only five states now clearly permit full-working-day prekindergarten programs to be funded (i.e. Massachusetts, Vermont, Illinois, both of Florida's programs, and New Jersey's two newer ones). Some states will emphasis full-working-day hours in the expansion of their prekindergarten programs, as Governor Cuomo of New York recently proposed.

> [In] expansion of the existing prekindergarten program, priority for funding will be given to those programs that offer or arrange for full-day care. In addition, I will direct the Department of Social Services to work with the State Education Department to develop mechanisms to assure that the full-day needs of parents are met in a coordinated manner.[8]

State policymakers are beginning to perceive child care programs as educational opportunities for young children, and to recognize the child care function that so-called "educational" programs fulfill. They are also increasingly aware of the growing number of early childhood programs and funding streams that cry out for coordination.

Coordination: clearly needed to satisfy many purposes

In the context of early childhood, the term coordination has several different meanings. First, coordination refers to the cooperative planning and implementation of new early childhood programs within the existing ecosystem of early childhood programs. New programs must respond to real needs, filling gaps in services or creating necessary new services, not merely supplanting existing programs by offering new ones under a different auspice or through a different funding stream.

Second, coordination refers to the means for offering comprehensive services. The best example of the result of this kind of coordination--which aims to achieve comprehensive service--is the Head Start program, which includes specific program components to meet the education, health, nutrition, and social service needs of its students and their families. The Head Start agency is responsible for either directly providing, or referring to other agencies to provide, the services and acts as the facilitator of the delivery of these services.

Third, coordination refers to the combining of services and/or funds from a variety of sources to meet families' needs for full-working-day child care. There are three main ways of accomplishing this. One is to encourage new programs in public schools to offer full-working-day services. Another approach is to expand the scope of eligible providers of a prekindergarten program to include agencies that already offer full-day services, such as community-based child care centers. A third way to get more full-working-day services is to create a form of before- and after-school care service that meshes with and surrounds the part-day public school program.

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[8] Cuomo, Mario M. (1989). *Message to the Legislature* (January 4, 1989). Albany, NY: Office of the Governor

And, last but not least, coordination refers to attempts to make the early child ecosystem more of a system--that is to treat it as a whole and work for greater consistency among its parts in terms of quality of service provided, resources available, etc.

Local Coordination

Coordination is particularly critical at the local level--where the child is, in the community where services are actually made available. When coordination does occur at the local level, it is likely to be a direct result of state mandates that require it. The degree to which it is mandated varies greatly from state to state. Most commonly, local school districts and other agencies applying for state prekindergarten grants must show evidence of unmet local need. Some, including those in Illinois, Oregon, Vermont, and Massachusetts, must also demonstrate that cooperative efforts are in place to prevent duplication of services and to enhance use of local resources. But generally, there are few assurances that the full range of early childhood programs and service providers are represented on any local coordinating committee or have been considered in the local proposals submitted to the state for selection, nor are there provisions for redressing exclusionary practices in regard to the composition of local coordinating bodies.

Two Examples of Linked State and Local Coordination Efforts

Among the few states that do have detailed and specific requirements for coordination at both the state and the local level, two examples stand out: Florida and Massachusetts.

In **Florida**, coordination between the Department of Public Instruction and the Department of Social and Rehabilitation Services, which oversees child care, has been mandated by law since 1974. The Child Care Coordination Council, created as result of that law, was the basis for a state Task Force that also included advocates, early childhood education professionals, the Head Start community, and the child care provider community. The Task Force was a major force in the passage of the Prekindergarten Early Intervention Program in 1986.

The 1986 legislation created both state and local-level coordination mechanisms. An 11 member State Advisory Council is appointed to advise the Superintendent of Public Instruction on implementing the pilot program, assessing the need for expansion, and planning for expansion. The 11 include: 3 appointed by the governor to represent Head Start, subsidized child care providers and non-subsidized providers; 4 appointed by the Superintendent of Public Instruction representing elementary school principals, the state Bureau of Special Education, public school teachers certified in early childhood education, and early childhood advocacy groups; and 2 appointed by the Secretary of the Department of Social and Rehabilitation Services, representing health services and child welfare. Finally, the President of the Senate and Speaker of the House each appoint one member. Administratively, the Council is part of the Department of Public Instruction; its activities are funded ($50,000 in FY88).

Local school districts (which may subcontract) must create a District Interagency Coordinating Council that cooperates in the development, implementation, and evaluation of the prekindergarten program. The 11 member District Councils are appointed by local school boards and must include: a parent of a child in the program, the program director, a school board member, a representative of an agency serving handicapped children, 3 service providers (one each from Head Start, subsidized child care, and a private program), 1 local child advocate, and 2 members representing social, medical, dental or transportation services, and 1 other member. The Council must assist the district in developing the proposal and must sign off on the submitted proposal. It is also responsible for coordinating children's services in the county (educational, social, health, child care, and others). Beginning on July 1, 1988, each Council is required to submit annual reports to the state council and the Superintendent of Public Instruction on the district's progress in implementing the prekindergarten program, the results of the District Council's evaluation identifying the most successful program components, and its recommendations to the State Advisory Council concerning local and statewide implementation of the prekindergarten program.

Early childhood advocates (including day care and Head Start) are credited with a strong behind-the-scenes role in the passage of Massachusetts' Early Childhood Education Act, Chapter 188. In addition to the creation of a State Advisory Council on Early Childhood Education that advises the Department of Education on all aspects of implementation, it has subcommittees on specific issues, such as that on Staff Requirements and Staffing Patterns, which has proposed new teacher credentials for Nursery-3 and for Young Children with Special Needs ages 3-7.

The program is administered within the Department of Education by a newly created Office of Early Childhood Education. Three kinds of efforts are funded: programs for 3- and 4-year-olds, enhanced kindergarten and transitional first grades, and programs using creative approaches to combine early childhood education and child care.

Although only school districts may apply for funds (with subcontracts allowed), very specific local coordination is required. A Local Advisory Council must be convened that includes a teacher, a parent, a representative of the local resource and referral organization, and others concerned with the care and education of children in the community. The Local Advisory Council must develop and sign off on the proposal submitted by the school district. Applications must detail local needs, agreements with other service providers, how the program will serve children with special needs, how families will be involved, and how the program will coordinate with local elementary schools to ensure continuity through kindergarten and the primary grades.

These councils, composed of representatives from all sectors concerned with young children, are charged with conducting community-wide needs assessments. Such local advisory councils are a beginning step in developing a process for rational decision-making at the local level, before new or expanded services are proposed for state authorization and funding.

Conclusions Regarding Coordination

In summary, coordination is necessary because it helps administrative efficiency; it helps head off competition, by establishing mechanisms for dialogue on some of the issues that are sticking points, such as teacher credentials and salaries; it encourages shared resources which may result in more services being available to more children; and--most importantly--formal coordination has the potential to facilitate the provision of comprehensive services for children and families.

Based on our study we believe that coordinating mechanisms that are mandatory, involve both state and local procedures that are linked, and that are specific about who must be involved and what the tasks are, seem to work best.

Some states are moving toward coordinated approaches not only to the planning of early childhood services but to unifying the delivery of early education and child care services, such as the Child Development Coordinating Council enacted in Iowa for FY89, the Office of Early Childhood Services being discussed among some New York legislators, and Virginia's recently enacted Council on Child Day Care and Early Childhood Programs. Virginia's Council was described in the *Washington Post* as "a major new approach linking together the child care needs of the labor force and the developmental needs of children at risk."[9]

Federal Action Required

State action will continue to be a driving force in responding to the combined need for better education and child care opportunities. Driven by their differing individual economic and social conditions, states will create new programs or modify existing ones in response to the unique and idiosyncratic forces at work in each state. However, the problem is national in scope, reflecting broad changes in society. State-by-state solutions to a nationwide problem are rarely optimal. Federal action--especially in regard to fundi- --is necessary. Developing the early childhood system state-by-state will reinforce the already wide differences among states in terms of the quality and availability of programs for young children. A federal role--beyond funding--may be necessary to ensure equal treatment for all of the nation's youngest citizens. While states are best able to design programs to meet the unique conditions and needs of their communities, a federal role in funding is widely advocated by state leaders and is a powerful influence on states. Federal policy direction, although not as welcome by the states as federal dollars are, is a strong and often quite positive influence on the action of states.

Guiding Principles for Developing Early Childhood Legislation

The essential early childhood policy question facing the nation is: How to expand the supply of, improve quality in, and increase access to early childhood programs that are in the best senses both educaitonal and caring for all children--but especially for those who are disadvantaged? Responses to this essential question must understand (and meet) the needs of children *and* their families, while simultaneously understanding the early childhood system and recognizing its ecological nature.

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[9] Teig E. S. (February 4, 1989). Quoted in M. Jordan's *Child care agency nears Virginia passage*. The Washington Post, p. B1.

Children: Quality, Continuity, and Comprehensiveness

The elements necessary to create good policy from the child's perspective are overall program quality, and the continuity and comprehensiveness of the services provided.

Quality in an early childhood program has five essential elements:

small group size--between 15 and 20 four-year olds;

favorable staff:child ratios--at least 1 adult for each 8-10 four-year-old children;

well-trained staff--a thorough understanding of child development theories and early childhood education principles coupled with direct experience working with young children;

curriculum--a clearly communicated philosophy of education that is based on theories of child development and that is supported with training and good supervision; and

strong parent participation--frequent communication between parents and teachers, many ways to directly participate in the education of their children, direct influence on the governance of the program, and attention to the parent's needs both as a parent and as an adult.

Beyond the obvious fiscal resources necessary to implement a good early childhood program, vision and commitment on the part of its leader is required. The quality of leadership--from the director of a single center, or the principal of an early childhood school, or the coordinator of a school district's early childhood programs--is directly related to the overall quality of the program for children.

Continuity and comprehensiveness are additional essential aspects of quality programs for young children. Continuity has two dimensions: the number and ease of transitions made by children in a given day and during a given year, and the compatibility of philosophical approaches and curriculum among the different programs that a child is engaged in over time. More simply, if the child is in a stable group of children, with the same staff for most or all of the day in the same location, with a stable teaching staff throughout the program year, a high degree of continuity is demonstrated. Remaining in the familiar setting from one year to the next rather than changing settings every year is preferable. If the child experiences changes from year to year that are smooth and understandable, continuity is high. If changes are abrupt and disturbing during a day, or throughout a year, or between succeeding years, continuity is low.

A comprehensive early childhood program is one that is providing necessary services in addition to those that could be called strictly intellectual or academic. Comprehensive services include at least:

health services such as screening for delays, physical examinations or other direct health services provided by a doctor, nurse or dentist;

social services, usually provided by a social worker, such as referral to community or government agencies and services or assistance with obtaining services; and

nutrition services which means serving meals and snacks so that children are receiving the major portion of their daily nutritional requirements during the program's hours.

Finally, transportation is a support service that may be critical to the child getting any program at all, let alone the good program with comprehensive services that she or he may need.

Parents: Quality, Participation, Affordability, and Accessibility

First of all, because parents want the best for their children, good policy from the parent's perspective rests on the overall quality of the program for children. Parents want programs that are good for their children and that respond to their own needs--to support the family by working and/or continuing their education, to be good parents, and to be involved in their child's education. For most parents, these needs and desires translate into demand for programs that offer sufficient daily hours, year-round schedules, opportunities for parent involvement that help balance work and family responsibilities, and support for themselves as parents. And parents want choices. Not all families need or want the same services for themselves and their children. Parents deserve choices that reflect the cultural diversity of our nation, the full spectrum of family values regarding childrearing, and the differential needs of individual families. In addition, parents want affordable, conveniently located programs--easy to find and choose and use. Many parents prefer having all their children in the same location.

From the parent's perspective, early childhood policy is about ways and means. The ways to know what a good program is, to locate the ones that reflect their values and needs, and to choose the best one; and the means--sufficient funds to help parents purchase the good program of their choice.

The Early Childhood Ecosystem: Promoting Quality and Unification

From the perspective of the early childhood system, public policy must be guided by principles of quality and unity. Delivering good programs to children is the bottom line. Many members of the early childhood system have demonstrated their ability to provide quality early childhood services, and others have clear potential to do that with some help.

There is growing concern with the quality of all programs for young children--whether in public schools or other settings. Is the program appropriate to the developmental stages of the children in it? Are staff well-trained? Are there enough of them? Do they stay long enough to produce a stable program for children? Particularly in regard to public schools, concerns are often expressed in terms of the curriculum (or content) of an early childhood program: Should the curriculum be academic or cognitive or developmental--or some combination? Focused on school readiness or child development?

No one form of early childhood program has a monopoly on quality. Community-based, non-profit programs are not inherently better than community-based, for-profit programs. Nor are public school-operated programs better or worse than those operated by any other agency. There is much more variation in quality from one state to another, or within one form of program (e.g., within for-profit child care centers, or within public school-operated programs) than among different forms. The problem of quality is a pervasive system-wide issue. Legislative solutions must recognize this fact and deal with quality improvements across the early childhood system. It may be necessary to target a larger than proportionate share of resources to some forms of program than others in order to produce reasonably good programs throughout the system. The goal is to ensure uniform quality for every child--no matter where, or by whom, or with which funds the early childhood program is provided.

The early childhood system is an ecosystem. Changes to one part of it affect the other parts--particularly on the community level. For example, when a public school district rapidly expands a program for 4-year-olds, qualified teachers are drawn out of other kinds of early childhood programs because the public school salaries are higher, exacerbating what is often an already critical staffing shortage in the community. For the system to remain in balance, new policy developments must take into account the whole system and be implemented slowly and carefully. Broadly conceived coordinating mechanisms that simultaneously operate on and connect among the federal, state and local levels combined with maximum local flexibility to plan and implement programs are necessary.

Translating Principles into Legislation

In short, optimal early childhood policy will respond in the best interests of the child, the family and the ecosystem. The principles I have outlined--quality and continuity for children, sensible and affordable choices for parents, and equitable use of resources within the early childhood ecosystem--are reflected to some degree by each of the various child care bills before you.

New early childhood policy, programs and funding streams have the power to carefully weave the parts of the early childhood system into a stronger network of support for children and families, or to further fragment and divide it. Recognizing the distinct parts of the early childhood system--as both HR 3 and HR 30 do--is an important step. Optimally, federal early childhood legislation should regard the entire early childhood ecosystem as the appropriate focus for expanding and improving early childhood programs and should allocate sufficient fiscal resources to help families pay for the programs they choose for their children. Such a bill should promote parental choice and support parental desire for quality programs for their children, recognize strengths and corrects weaknesses in the system, define and require a uniform level of quality, promote continuity, complement existing funds and programs by drawing them thoughtfully together, and encourage linked planning and coordination among the federal, state, and local level.

The best bill would take the family's perspective. Parents want affordable programs, compatible with their values, that combine care and education in one convenient location. All families deserve choices among viable alternatives, and enough money to exercise their right to choose what's best for their child.

Conclusion

There is a clear need for federal action, as this nation begins to shape an agenda for action in response to the diverse motivations for early childhood programs. Federal leadership can provide a model of integrating the care and education of young children for states to emulate in their continuing development of early childhood policy. You will need to craft solutions that consider the perspectives of the child, the family and the early childhood ecosystem. Community institutions of all sorts will have to mobilize to shoulder their share of the responsibility for making high quality early childhood programs widely available and readily accessible. Using all of our resources wisely, it can be done.

Table 1. STATE-FUNDED PREKINDERGARTEN PROGRAMS AND CONTRIBUTIONS TO HEAD START THROUGH EARLY 1989

States	Prekindergarten Programs	Contributions to Head Start
Alaska	X	X
California	X	
Colorado	X	
Connecticut		X
Delaware	X	
District of Columbia	X	X
Florida	X X	
Hawaii		X
Illinois	X	X
Iowa	X	
Kentucky	X X	
Louisiana	X	
Maine	X X	X
Maryland	X	
Massachusetts	X	X
Michigan	X X	
Minnesota		X
New Hampshire		X
New Jersey	X X X	
New York	X	
Ohio	X	X
Oklahoma	X	
Oregon	X	
Pennsylvania	X	
Rhode Island	X	X
South Carolina	X	
Texas	X	
Vermont	X	
Washington	X	X
West Virginia	X	
Wisconsin	X	
31	33	12

Chairman **Hawkins**. Well, thank you. For the purpose of introducing the next witness, I yield to our distinguished colleague.

Mr. **Kildee**. Thank you, Mr. Chairman. I would like to extend a special welcome to Mark Sullivan, Executive Director of the Michigan Community Coordinated Child Care Association which was established through a grant from the Michigan Women's Commission which I helped establish when I was back in the state legislature.

I'm glad to see they are involved in such good causes as this. I knew they would be. This is certainly a very worthy cause. Mr. Sullivan has been the director of the association since its creation a year and a half ago.

He ran a local resource and referral program for ten years and was also a Head Start teacher, Mr. Chairman. Michigan truly has, I think, a state-of-the-art resource and referral system, using computers and trying to bring parents and programs together in a very, very good way.

I look forward to hearing his testimony today. Thank you for being here, Mr. Sullivan.

Chairman **Hawkins**. Good morning, Mr. Sullivan.

Mr. **Sullivan**. Mr. Chairman and members of the committee, I am here to discuss the importance of resource and referral services in any of the child care bills that you are considering.

First I would like to make one clarification. Community coordinated child care is the title that refers to our network in Michigan. We are research and referral services. The network in Michigan has existed for 18 years and thus our title, I think, precedes the current terminology called resource and referral services.

The child care system in this country is extremely diverse, independent and difficult to understand. I think, by way of analogy, I would like you to imagine that the banking industry was run like child care.

It would be made up of a number of small, independent local operations. They would be operating with very small profits. Most of them wouldn't have enough money to do any advertising.

There would be, of course, a couple of large chains that people would be aware of; but in terms of finding these places, you would have an extreme amount of difficulty. Half of the banks would be operated in homes, half of them would be operated in church basements, a few would be in their own facilities.

As an investor, you would want to put your money in the best bank you could find, but you can't find the banks. so you start consulting with a few friends and neighbors. They give you the name of the woman down the street who has a little bank or the church that's around the corner that operates a part-time bank.

You start looking for one of these places. You create a list. You start calling only to find out that half of the banks aren't taking any more deposits. Some of the banks won't take deposits unless you have a lot money.

Part of the banks aren't licensed. A few of them are interested but they want to have an opportunity to talk with you. You choose a couple of these and go visit. You make a decision.

You leave your money at one of these banks not knowing whether your money is going to be stuck in a mattress or whether it's going to be invested, not knowing also whether this bank is even going to be there in six months. About 40 percent of the banks will disappear annually.

This sounds like a ludicrous situation. I don't think any of us would invest in a neighbor's house, have them put the money in a mattress. In fact, this is exactly what we are expecting of parents every time they start looking for child care.

The system is so diverse, is so fragmented. Parents don't know how to find child care, don't know how to choose child care and end up leaving their child in a situation which may not be any better than the bank that is actually just the mattress in the back room.

This is why resource and referral services are extremely important. Resources and referrals provide the connection between the child care network, the child care system and the parents.

We help parents identify the child care resources that exist, the child care resources that are licensed. We help them identify some of the major topics that they need to be considering when they are looking for quality child care.

We help them identify whether there are financial resources available to them that they can use in finding or paying for the child care. At the same time, we are working to improve the availability of child care by recruiting new providers and getting those providers who aren't licensed into the licensing process.

Resource and referral services work both sides of the fence. In terms of quality, we help parents identify what are factors that they should be considering when they are looking for child care.

As a parent becomes a better consumer, they increase the demands that they are making on the child care providers, and the child care providers respond by becoming better at that service.

On the other side of the fence, we run training programs, workshops, provide technical assistance and consultation to the people who are actually providing care so that the service that they are offering is better.

Resource and referral services exist to help parents and to improve child care. Everybody is these days talking about the trilemma of child care; quality, availability, and affordability. I think these are issues that the resource and referral services have been addressing.

As Representative Kildee mentioned, in Michigan we have what I consider to be a state-of-the-art system. Our whole network, the 13 offices that cover the state, are all computerized.

We use a customized software program so that when parents call we can take information and then run the program so that we can match that information with the availability of the providers.

We can provide them with on-line referral services and a printout that includes information about how to select child care.

In five of the communities in Michigan, we have worked with the local governments to establish child care scholarship funds that go above and beyond the services or the financial resources provided through Title XX that include, in fact, Flint, Representative Kildee's district.

We have worked with employers to get them involved in providing child care services. We have worked with other companies so that they will provide services. In fact, last year, a new department store that came to Michigan called Mervyn's provided us with $200,000 to provide training to child care providers and to recruit new providers for our state.

The problem is that I think we have something to brag about in Michigan. What exists in Michigan does not exist in every state in this country. Networks are developing. Awareness about the importance of resource and referrals is increasing, but it is increasing slowly and we have a long way to go.

The second problem is that the support for resource and referral services is extremely limited. Several years ago, Senator Riegle from Michigan introduced the Dependant Care Bill which provides 40 percent of that bill's funding for dependent care referral services.

That was an important start, but I consider that only a start. In order to implement the kinds of programs and bills that you are considering, in order to implement the Family Reform Act and to respond to the kinds of requests that are now coming from parents who traditionally have been at home but are now being lured into work by employers needing new employees, child care resource and referral services have to increase.

We are relying on your to provide us the support to make that happen. Thank you.

[The prepared statement of J. Mark Sullivan follows:]

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RESOURCE AND REFERRAL: A VITAL SERVICE FOR PARENTS AND PROVIDERS

Testimony Before the Committee on Education and Labor
U. S. House of Representatives

April 5, 1989

By J. Mark Sullivan
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CHAIRMAN HAWKINS, HONORABLE MEMBERS OF THE COMMITTEE:

My name is J. Mark Sullivan. I am the Executive Director of the Michigan 4C Association (Community Coordinated Child Care). I have worked in child care for the past 19 years. I have been a classroom teacher, a center director in the Head Start program, a Head Start research project supervisor and the director of a local 4C office. As director of the Michigan 4C Association, I represent a network of 13 resource and referral agencies (called 4C in Michigan) that provide services to parents, child care providers, business persons, and communities throughout the state of Michigan. I am also on the Board of Directors of the National Association of Child Care Resource and Referral Agencies (NACCRRA).

The Michigan 4C network has existed for 18 years. For that period of time, the local offices have been conducting training workshops for child care providers, working with local community groups to improve child care availability and providing resource and referral (R&R) services for parents in need of child care.

There has been a lot of discussion about the trilemma of child care: availability, affordability and quality. The Michigan 4C network has been working to address these issues for a number of years and as a result, Michigan has a sophisticated, high-quality service network which serves both parents and child care providers.

Resource and referral services work "both sides of the fence" in terms of addressing the trilemma of child care. We work for and on utilization of federal, Title XX/Social Services Block Grant funds for child care for working parents is much higher in the communities where 4C offices are located. Also, (in Michigan) the 4C offices have worked with local governments to establish city-sponsored child care scholarship programs for low-income working parents. These programs now exist in five communities: Ann Arbor, Detroit, East Lansing, Flint and Lansing. Assisting low-income parents find financial resources for child care often means the difference between a parent's ability to move toward steady employment (and self sufficiency) and having to rely on welfare.

Resource is half of the name of resource and referral. In addition to addressing the issues of the trilemma, R&R offices provide many other services such as job networks, parent education seminars and informational brochures. R&R offices are often involved in working for child abuse prevention and advocating for better child care policies. One of the most recent developments for resource and referral services is employer sponsored child care. As employers become more aware of the need to address the work and family issues of their employees, many employers have consulted with the local resource and referral program. The R&R offices have been able to help employers define ways of assisting employees with their child care needs.

As mentioned above, the Michigan R&R network - the Michigan 4C network - is a sophisticated, high quality service. Each of the thirteen offices is computerized and can conduct "on-line" searches for parents looking for child care. The process involves getting behalf of parents who need child care services and we work with the professionals and paraprofessionals who provide child care services. The result is a benefit to parents and providers alike.

In terms of availability, parents benefit because the resource and referral office is an objective yet supportive service for parents since the office does not represent or directly support any specific child care program. Resource and referral services benefit providers because few child care programs have the financial resources to conduct the advertising necessary to gain a high profile in the community. The resource and referral service can connect parents with providers and thus keep the provider enrollment lists close to 100%. Working parents need a range of child care options, not only for the standard "full-time" workday of 9 to 5, but also for part-time work, before and after-school, evening and weekend work, split shifts, rotating shifts, etc. as well as sick-child care. Resource and Referral offices can help to identify the needs through surveys, etc. and recruit services to help meet the needs--especially in non-standard situations. An example of this is a program called "Chicken Soup", a sick child care consortium in Minneapolis which developed in part because of need identified by the Greater Minneapolis Day Care Association.

On quality, the resource and referral service helps parents become better consumers of child care - by providing them with information about what to look for and questions to ask. Researchers have found that parents can benefit greatly from a simple checklist that highlights what to look for in a good child care setting (Endsley and

Bradbard, 1982).[1] As parents become more informed about shopping for child care, the providers must respond by providing the level of quality parents demand. "On the other side of the fence", resource and referral services conduct workshops and training sessions for providers - workshops on everything from "guidance and discipline" to workshops on serving nutritional meals - to improve the quality of the care they provide. Throughout the process, the R&R offices work with the state department which is responsible for licensing and regulation to improve standards and to communicate problems which develop. A study out of the California R&R network shows that family day care homes tend to stay in business longer when recruited and supported by R&R networks. Preliminary data from a follow-up study by the California Resource and Referral Network, funded by the Ford Foundation, indicates that 7 out of 10 family day care providers who were recruited by the R&R network, when interviewed a year and one-half later, were still providing child care services. This is significant when compared to the regular turnover rate among family day care providers. (In family day care, the regular turnover rate is higher than any other occupation except gas station attendants and dishwashers.)[2]

In terms of affordability, resource and referral services assist parents find the limited financial resources available to assist in paying for child care. In Michigan, it is very clear that the information about the parents needs, e.g., location, times of the day care is needed, age of the child(ren) and cost restraints. When this information is collected, the resource and referral counsellor runs a customized program which compares parent's needs with the providers which are on the data base. The computer "matches" need with availability and generates a list of possible options for the parent. The R&R counsellor sends the parent this information along with information about how to choose a child care setting. Since the network is computerized, the Association has worked out a computer process by which the Association can obtain information directly from the State's licensing records from the State's mainframe computer, convert this information into micro-usable format and distribute it to all of the offices in the state. This permits the local R&R service to give the parent the best, most current information about the availability of regulated child care anywhere in the state.

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[1] Endsley, R.C. & Bradbard, M.R. (1982). "Predictive value of the parent guide to quality day care." Perceptual and Motor Skills, 55, 243-246.

[2] Bureau of Labor Statistics cited in Modigliani, K. 1986. "But who will take care of the children? Child care, women and devalued labor." Journal of Education 168(3), 46-49.

Because of the extent and depth of the network, the Michigan 4C Association received a grant from Mervyn's Department Store to improve the quality and availability of the child care network by providing six grants totalling $180,000 to local communities in Michigan. In each of the communities which received a grant, availability (number of licensed providers) has increased by 5% and training (20 hours per provider) has been provided to 10% of the providers.

Resource and referral services are not a frivolous overlay on the child care system. R&R is a necessary component in helping parents make sense out of a fragmented, diverse and often inconsistent system.

As Gwen Morgan (1987)[3] pointed out, the child care field is a market system, very diverse in terms of types of care and parent fees. It is inefficient, operating with costly unfilled spaces for children at the same time parents are unable to find care. Making sense out of this system is always frustrating and often bewildering for parents. Entrusting the care of a child to a person whom the parents may not know well often results in stress and guilt.

> "In the back of a mother's mind a nagging question will persist: 'Is it really all right for me to work? What will happen to my child's development?'
>
> As women and men begin to face squarely the unforeseen anxieties of dividing the self into two important roles - one geared toward the family, the other toward the working world - the pressures are enormous and largely uncharted by past generations. It is no wonder that many new parents are overwhelmed by these issues as they take on the important new responsibility of creating and maintaining a stable world for their new baby" (Brazelton, 1989, pp.15-16).[4]

The resource and referral service can assist parents make better decisions and, ultimately help improve the quality of care for this nation's children.

Resource and referral services have been developing across the nation to serve parents and to improve child care services. Most of the offices have been managed on very small budgets. In Michigan, it is a credit to the creativity of the directors in the 4C network - that the system has endured eighteen years: through a major recession which crippled many services in the state and, until last year, with a total of only $433,000 to support 11 offices (located in the major metropolitan areas of the state). Last year, for the first time since 1980, the state support for resource and referral was increased to $750,000. With the increase in funds came also the addition of two new offices and an expansion of the service areas of the existing offices. Resource and Referral offices are the true example of the public/private partnership. The offices have taken the public dollars they receive and used those funds as a base for generating additional revenues from United Way, local and county governments, grants and corporate contributions.

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[3] Morgan, G.G., (1987). Asking the hard questions about child care resource and referral. Unpublished manuscript.

[4] Brazelton, T.B. (1989, March). Nurturing the nurturers. World Monitor 2(3), 14-17.

But, as the demand for child care increases (as more and more non-traditional workers are recruited to fill the demands of the changing work force), the local resource and referral offices are being stretched beyond their capacity to serve. As the demographics of the work force change, the support of resource and referral services must also change. Senator Donald Riegle (also from Michigan) recognized the importance of referral services several years ago. He introduced the Dependent Care bill which gained broad support and was passed into law. This bill permits states to use 40% of the state allocation for dependent care referral services. The Dependent Care Act was an important first step, but it was only a first step. Without significant support from the federal government, resource and referral services will not be able to perform the vital function which they provide in helping parents find the child care services their children need and deserve.

Mr. **Kildee**. Thank you very much, Mr. Sullivan. I will start with some questions now. Mark, we may be cousins. My grandmother was a Sullivan from County Cork.

Ms. Taylor, as a local provider who probably confronts the problems of low staff salaries and high turnover rates, can you tell us what should be included in any child care proposal to address the low staff salaries and the high turnover which very often, most often is a result of the low salaries?

Ms. **Taylor**. Well, I think funds to help the states to deal with the salary problems are a real necessity. If we are talking about quality care for children to try to help alleviate some of the turnover in staff that is a part of the legislation, there should be some set aside to be utilized to help to increase salaries and benefits.

Mr. **Kildee**. I'm convinced that the people who work at the National Zoo out here are probably not paid enough, but they are paid more than child care workers.

Mr. **Taylor**. That's correct.

Mr. **Kildee**. That's sad, isn't it? That's really sad. Where are our priorities? I think they should be making more out there, too. I have been out there and I think they earn every cent they make and should be making more.

When I compare what child care workers are making, it's really a sad commentary on our commitment to child care in this country. Mr. Hawkins and myself probably have some different approaches to child care, but one thing that we are deeply concerned with and want to address is that lack of financial commitment. An earlier witness mentioned that money helps. Money doesn't solve all problems, but here is an example of where very little money has really been spent to upgrade child care as far as staffing. I think that is an area that we will have to address ourselves.

Mark, on page 5 of your testimony, you state that the local R&R services gives the parent the best, most current information about the availability of regulated child care anywhere in the state of Michigan.

Do you refer anyone to unregulated or unlicensed child care under your system of referral?

Mr. **Sullivan**. No, we use only licensed child care, both centers and family day care homes. We use that for two reasons. One is that philosophically we believe that any provider who is in the business of providing child care should submit their program to the review that is set up by the state. Every parent should have the opportunity to see that the program has been reviewed and has met minimum standards.

Second, there is an issue of liability. Whenever we get into referring to providers that have not been screened by the state, then we are exceeding our bounds in terms of referring to providers who meet at least the minimum of standards required.

Mr. **Kildee**. Let me ask this. I still have some time here before I go to the next member. There are other proposals to assist in child care. One is to use the tax code. The president has proposed using a tax code and Congressman Downey has a proposal to use a tax code. I say that these can be complimentary but cannot take the place of a child care bill.

How careful should we be in letting the tax code give money or let people keep money for facilities that are not licensed or regulated? If we are going to change the tax code, especially if we have a refundable tax credit, should we set some standards for the institutions or child care facilities that these parents can use?

Any of you may answer.

Mr. **Taylor**. I strongly feel that at the Federal, state, and local level, we have a responsibility to protect children who can't protect themselves. There ought to be some minimum standards in terms of the kinds of facilities that children can be cared for.

Mr. **Kildee**. That would be even with the tax code?

Ms. **Mitchell**. The dependent care tax credit now has standards. It's supposedly only to be used to pay for regulated care if the care is regulated in the state. The problem is that what kinds of care are regulated vary so much from state to state. So you're, in some cases, paying for care that in another state wouldn't be allowed to be paid for.

Mr. **Kildee**. So you would say that if there is going to be either less money coming into the treasury or a withdrawal from the treasury and refundable, that we should at least have some minimal Federal standards? Mark, would you answer?

Mr. **Sullivan**. Yes, I agree completely. I think that the kind of child care the government is paying for ought to meet minimum standards. We are not talking about quality; that would be our goal. We are simply talking about safety.

Unless the programs submit to and are successful in a review of meeting those minimum standards of providing safety, I don't think we should be permitting children to be in those programs. I certainly don't think those programs should be reimbursed.

Mr. **Kildee**. Mr. Ballenger?

Mr. **Ballenger**. Thank you, Mr. Chairman. I find your information here most exciting. As I have said earlier, I have been involved through my family in day care in North Carolina for about the last 15 years personally and my wife has 35 years of experience.

One of the traumas of child care is affordability. The center I am associated with is a welfare day care operation. We receive funds, as does Ms. Taylor, from social services, the United Fund, the county commissioner's, everybody that you can think of.

I was just curious as to if you do have a cost—I know you said you have a $4.5 million operating expenses and 1200 students. If you use just plain mathematics, it comes out to a cost of about $3750 per child per year which is $75.00 per week which is substantially higher than North Carolina.

Do you charge anybody 100 percent for their day care?

Ms. **Taylor**. Yes, some of our parents that don't meet the eligibility requirements for some of our subsidized programs pay full fee. Our pre-school day care program, the full price is $90.00 for the week for a pre-school child. Before and after school care, it would be $45.00. For toddlers, it would be $100.00.

Mr. **Ballenger**. Does that include one meal, two snacks, say about nine hours or nine and a half hours per day?

Ms. Taylor. Yes, the operating hours would be from 7:00 a.m. in the morning until 6:00 in the evening. That would include breakfast, lunch, and a snack.

Mr. Ballenger. Although liability insurance is not in this bill, I wonder if that has become a major problem as far as you all are concerned? In North Carolina it has. I am just asking you the question.

Ms. Taylor. It was a major problem three years ago. Through the help of the insurance commissioner in the District of Columbia, we were able to, along with other providers in the city, maintain our liability coverage.

It's costing the Day Care Association approximately $45.00 per child for liability.

Mr. Ballenger. I think that it's something that we could have some affect on, Mr. Chairman, in the fact that $45.00 per child is a rather substantial amount of money. I took the numbers, instead of using your $90.00, using only $75.00.

If we take the total amount of money, the $2.5 billion that we are talking about in either one of these bills, and divide that by $3750, it turns out we can take care of 700,000 children.

I think there is close to six million that are needed to be taken care of. So any expense that we can, by law, reduce I think will make our money go further.

I would like to ask Mark, if I may, in your statistical analysis in Michigan and when you advise the parent as to where they are going to send a child. In North Carolina we have a rating system of A, AA, AAA. Somehow they always use As even though the worst you can get is an A. Triple A is good and a single A is bad. It reads beautifully on their stationary.

Do you specify when you tell the parent who called in about a rating? Does Michigan have a rating system?

Mr. Sullivan. No, we don't use a rating system. We can help parents identify what the elements of quality are, but we are not about to suggest to them that one program has a higher level of quality to another or from another. They need to make that decision.

Mr. Ballenger. In North Carolina we have all kinds of rules and regulations. To get a AAA rating you have to do certain things. It's just sort of like a restaurant. I'm sure it's better than a restaurant rating, but it works that way. Does the state of Michigan have anything similar?

Mr. Sullivan. I think it would be similar to that, but it's in the hands of the consumer in Michigan. You either have a standard license or you have a provisional license. There is no other level of certification.

Mr. Ballenger. Thank you, Mr. Chairman.

Mr. Kildee. If I could just follow through on that, do you have a checklist that the parents can look at to see what things they should be looking for in a child care facility in response to Mr. Ballenger's question?

Mr. Sullivan. Yes. In fact, I think that the points that Ms. Taylor raised in terms of quality are the points that are asking parents to consider when they are looking for a program.

We distribute that with every printout that we use or that we send to the parent when we send them a list of the providers who are available.

Mr. **Kildee**. Mr. Williams?

Mr. **Williams**. Ms. Taylor, where are your members located, the members of your association?

Ms. **Taylor**. We are located in the District of Columbia.

Mr. **Williams**. A limited membership?

Ms. **Taylor**. Just to the District of Columbia.

Mr. **Williams**. Are any of your members church related?

Ms. **Taylor**. No. We have a number of our centers located in churches where we lease space.

Mr. **Williams**. But they are run by a non-sectarian——

Ms. **Taylor**. They are run by the Day Care Association.

Mr. **Williams**. Mr. Sullivan, the day care centers to which 4C provide services, are any of those operated by a sectarian institution?

Mr. **Sullivan**. I will have to go back to previous times when I was actually involved in the direct referral services. In the community where my office was located, of the 200 centers, there was actually one program that advertised a religious component to their services.

Most of the programs were located in church, but there was only one that was using advertising or that was advertising that they, in fact, had a religious aspect of the program on a daily basis.

Mr. **Williams**. Those that were located in churches, then, do I understand correctly, were not operated by the religious institution?

Mr. **Sullivan**. No. It is always set up as a lease with the church. It's just like leasing any kind of space that you can find. When I used to work with Head Start, we never got money for capital improvement so we looked for space wherever we could find it.

So you would go to a church or a community center or whatever. Then, of course, because most of these programs were operated either by a profit corporation or an non-profit board, the goal and mission of the board was very clearly stated and that did not include religious pursuits as part of the program.

Mr. **Williams**. Thank you, Mr. Chairman.

Chairman **Hawkins**. Mr. Hayes?

Mr. **Hayes**. Thank you very much, Mr. Chairman. I'm bothered a little bit about the question of minimum standards for qualifying to operate child care centers. Our objectives, as I think they should be, are to provide care for a child and at the same time teach them a little bit about what they are to face in life.

We have touched on the question of whether minimum standards should be put into effect. There is some parallel that the Federal funds are being used for this purpose and new apparatus to monitor performance.

I say this because there are situations where there seems to be arising child molestations. Many of these are centers. Some people who run them do quite well financially, but the expense of the program is designed to help the child.

I just wondered if any of the panel would care to address themselves to the question of whether or not we should, along with the providing of funds and the minimum standards for operating a day care or child care center, should have some monitoring apparatus to make sure that the money is used for that purpose.

I say this because—I say a parallel, the 10 percent set aside that we provide for highway construction for small business and minority businesses, it doesn't go in that direction when you look at it on a percentage basis or something of this sort.

Our bottom line is to try to start early in grooming kids and to be a part of our society, an integral part that is going to be able to be productive. At the same time, relieve the parents of some responsibility so they can be able to earn a decent way of life and help raise their own kids.

I think that maybe H.R. 3 may be somewhat like it in that it doesn't provide, as I understand it, for any real mechanism for monitoring performance on the part of a child care center.

Ms. **Taylor**. As a child care provider, I strongly support standards. Standards are no good without a mechanism for monitoring and enforcement of those standards. I think that is very, very, very important.

Mr. **Sullivan**. We've talked about minimum standards to ensure the children's safety. If the truth fall out, I would prefer optimal standards that would provide not only safety but a quality environment for children.

I think we have to start someplace. We use standards in just about every industry that exists in this country. I think it belongs also in child care.

Ms. **Mitchell**. I think it's a really difficult problem for you because the standards vary so much from one state to another. You are in a position of having to specify somewhere in the middle so that the goals should be to bring some state standards up and hopefully not do something that will make states lower their standards.

It's really true that children's needs are the same whether they live in Alabama or in Oregon. It's not different. They are not different children. They don't have different needs.

I think it's an appropriate role of the Federal government to set that middle ground of standards that we are trying to get everyone to get up to. I would agree that it would be nice if they were higher quality standards.

In fact, some states are moving in that direction, changing standards generally in the direction of higher quality, limiting group size and beginning to specify programmatic regulations.

Chairman **Hawkins**. Mr. Perkins?

Mr. **Perkins**. I'll pass.

Chairman **Hawkins**. Ms. Unsoeld?

Ms. **Unsoeld**. No questions.

Chairman **Hawkins**. The Chair would like to thank the panel again for your contribution this morning, and we will look forward to continuing our dialogue with you and, certainly, calling on you from time to time as we move to mark up the bill and prepare for a good year in terms of child care. I think all of you should be commended for what you are doing and we look forward to having you before the committee again. Thank you, very much.

Mr. Hayes has called to my attention the question you asked that on page 74 of the bill, the Secretary is instructed to review and monitor state compliance with the program and the plan under the Act itself.

Mr. HAYES. So, we have to monitor the Secretary.

Chairman HAWKINS. Well, I guess that's our job and it is your job to monitor us.

The next two witnesses will be seated at the table as their names are called. Mr. Barry Lynn, Legislative Council, the American Civil Liberties Union, and Mr. Nick Craft, President of the National Child Care Association.

Mr. Lynn, we will start with you and we look forward to your testimony. We have had an opportunity to read it. It contains a lot of substance and we certainly appreciate having you appear before the committee. You may proceed.

STATEMENTS OF MR. BARRY LYNN, AMERICAN CIVIL LIBERTIES UNION, AND MR. NICK CRAFT, NATIONAL CHILD CARE ASSOCIATION

Mr. LYNN. Thank you, very much. The American Civil Liberties Union is strongly in support of Federal child care assistance programs believing that it is, among other things, an important way of ameliorating past employment discrimination against women.

However, in the process, we can never lose sight of our national commitment to maintaining a clear separation between the government and religious bodies, nor to the goal of preserving the principle of nondiscrimination throughout the United States.

I would like to begin by explaining why, in our view, the Act for better child care services, the so-called ABC Bill, violates these principles. At least one-third of the child care provider beneficiaries of this legislation will be churches, synagogues, parochial schools and other religious institutions which courts would deem pervasively sectarian.

I believe the sponsors of this legislation recognize this fact and recognize that it raises some Constitutional issues. Indeed, section 19(a) provides: "No financial assistance provided under this Act shall be expended for any sectarian purpose or activity."

But, this general prohibition simply does not solve the Constitutional problem which arises from Federal funds going for early childhood educational efforts in pervasively sectarian institutions. The Constitution requires more than that specific Federal grant or voucher dollars not be traceable to sectarian activities.

The Constitution requires that Federal funds not be made available for generally enhancing the educational efforts of these pervasively sectarian institutions. I do not think there is any question, on the basis of the hearing record of this committee so far or even this morning, that the child care as supported by the ABC bill is an educational program. It is not custodial.

The preparation of kids envisioned by the child care bill is that they will be better prepared to enter elementary school if they have a serious child care program before that. Now, I am also aware that, in a widely circulated letter, Harvard constitutional law professor Lawrence Tribe has argued that he does not see infirmities in the ABC bill because he claims, in his words, "it stresses simple child care rather than child education" and is "a general social welfare program".

I think that comment elevates form over substance and completely misperceives the principle motivation for any religious institutions to become involved in child care in the first place. It is to obtain a group of impressionable children for sectarian instruction.

The truth is that the human interaction and institutional goals of most child care programs for four-year-old children in a religious setting would be absolutely indistinguishable from the specifically educational program for a six-year-old in the first grade in that same facility.

In fact, the absurd result of not conceding that there is a substantial educational component in child care is that Federal officials would have to scrutinize programs in order to determine that no learning is occurring there.

The Supreme Court has articulated a three-part test for determining whether or not an action violates the constitutional premise against laws respecting the establishment of religion. I think the ABC bill fails in two very critical ways. First, this funding would advance religion.

In a series of cases, the Supreme Court has invalidated a variety of programs which benefited sectarian religious schools through, for example, maintenance and repair grants, the loan of non-text book instructional material, the issuance of revenue bonds, even the use of Federal Title I funds to pay salaries of public employees who teach in parochial schools.

These forbidden practices involve funding of items going to educational institutions where the actual use was under the control of the religious schools, teachers or administrators, the very kind of highly discretionary use of funds which would be permitted under the Act for better child care.

This has a primary effect of advancing religion. In fact, it is hard for me to imagine a child care in a religious setting run by religious institutions where there would not be either an intentional or an inadvertent inculcation of religious beliefs in the very impressionable children.

How can we expect to have three-year-old children in child care on one floor of a Presbyterian or Roman Catholic church not be aware of and quite likely influenced by the overtly religious activity occurring around them on every floor? They will see religious symbols on the edifice itself, will hear religious music through the walls, will routinely encounter persons in religious garb in the hallways or in the play area.

As the Supreme Court once noted, the symbolism of a union between church and state is most likely to influence children of tender years, whose experience is limited and whose beliefs consequently are the function of environment as much as a free and voluntary choice.

The advancement of religion goes beyond this kind of environmental pressure. If a religious institution is now engaged without Federal funding in child care because it views such work as a part of its religious mission, then I would ask how can it be anything but the advancement of that mission to have it now funded with new Federal dollars?

Indeed, all one has to do is listen to the comments of the people who run child care programs for preschoolers, whether those individuals are in the Roman Catholic church, the Lutheran church or the Unification church, to recognize the importance that they ascribe to this period.

They believe that it is important to instruct children in religious principles as they go through the preschool program and that, of course, is entirely permissible unless there are government funds involved.

The ABC bill also fails, I think, the first amendment test on another ground because it does lead to excessive entanglement between government and religious institutions. For the government to be sure that sectarian influence is not present in the child care program would involve government officials in an ongoing and continual governmental monitoring of religious institutions.

The government would regularly need to examine questions like: Is a prayer said before lunch? Do the child care providers express an opinion to unruly children that God does not like that? Are religious holidays emphasized with sacred symbols or do readings reflect specific religious traditions?

That is the very kind of excessive, enduring entanglement between state and church that is a forbidden result, according to the cases on this point. These Constitutional problems are present, whether we are talking about direct grants or so-called child care certificates, that the funding goes to parents and then, and only then, onto the child care facilities does not remove the constitutional problem.

Turning to the discrimination question, the language in the ABC bill, in our view, is terribly, terribly inadequate. It does not bar religious discrimination in the selection of children for nonFederally-funded slots. It does not prohibit religious schools from granting preference to its own students in programs held before or after school. It does not even bar religious discrimination in the hiring of the staff.

This language means, then, that even in a very specific activity—child care—which is funded with Federal dollars, certain kinds of religious-based discrimination are permissible. I do not think anyone is suggesting that the receipt of Federal funds for a day care center located in a church basement means that the church may not use religion as the basis for not hiring the pastor.

But it is entirely appropriate to demand that discrimination in employment and services throughout the programs specifically receiving these Federal funds be banned. Discrimination in those services simply cannot be permitted.

We don't permit them in other Federal programs. A hospital that receives Hill Burton funds certainly could not discriminate in admissions, even in a wing that was not built with those Hill Burton funds.

Moreover, since the child care program is not supposed to foster sectarian religious values, there is absolutely no justification for a hiring decision to be made on the basis of participation in or membership in or beliefs in a specific religious tradition.

Indeed, if you grant religious preference, you undercut the very nonsectarian principle which this bill's proponents claims entitles programs in religious institutions to receive the funds in the first place. There just is no justification for this.

I have talked about the ABC bill. H.R. 3, in our view, represents a very dramatic improvement over the Act for Better Child Care, in terms of sensitivity both to the church/state issues and to nondiscrimination principles.

We particularly applaud its strong commitment to the use of public facilities in several sections of the bill. The child care section of the bill also prohibits any form of religious discrimination in employment or child care services, by making applicable to this program a provision of the Head Start Act which now prohibits any aid to a program, project or activity unless the grant or contract specifically provides that no person with responsibilities in the operation thereof will discriminate because of race, creed, color, national origin, sex, political affiliation or beliefs.

The plain meaning of that language would seem to bar a recipient institution from hiring only the members of its congregation or persons of like-minded religious creed or beliefs and that is terribly important.

By every estimate heard today and in every other hearing before this committee, the funding available under the Act for Better Child Care or even under H.R. 3 is not going to adequately meet the needs of every American for quality child care.

Therefore, I think there is nothing irresponsible about taking the limited funds available and earmarking them for use in programs which do not raise these complex constitutional issues. The cleanest approach, then, would be to modify the definition of eligible child care provider to exclude center-based child care providers or group home child care providers which are operated or controlled by a religious body or institution.

Then, to limit the effect of the presence in a religious setting of a child care program, even if operated independently, we would encourage you to require that religious facilities be viewed as acceptable sites only where alternative locations are not available and only if the rooms used for child care are religiously neutral.

Finally, in the discrimination area, we would propose that in any legislative enactment, we either include the language from the Head Start statute to cover any institution that receives funding under the new child care program or to craft a new broad nondiscrimination proviso so that institutional recipients are on notice that they may not, on the basis of religion, discrimination in any admissions to the program, nor may they discriminate against employment against any individual on the basis of his or her religious background.

Thank you, very much.

[The prepared statement of Barry W. Lynn follows:]

TESTIMONY OF
BARRY W. LYNN
LEGISLATIVE COUNSEL
AMERICAN CIVIL LIBERTIES UNION
BEFORE THE
HOUSE COMMITTEE ON EDUCATION AND LABOR
REGARDING
CHURCH - STATE ISSUES IN CHILD CARE LEGISLATION

APRIL 5, 1989

Chairman Hawkins and Members of the Committee:

My name is Barry W. Lynn. I serve as legislative counsel for the American Civil Liberties Union. I would like to thank you for the opportunity to testify regarding church-state and discrimination issues in proposed federal child care legislation. I would like to focus most of my comments on H.R. 30, the "Act for Better Child Care Services (or "ABC Bill") and H.R. 3, and then propose some resolutions of the constitutional and policy question these proposals generate. The ACLU is strongly in support of federal child care assistance, believing it is an important means of ameliorating historical employment discrimination against women. However, in the process we cannot lose sight of our national commitment to maintaining a clear separation between government and religious bodies and to preserving the principle of non-discrimination.

I. H.R. 30: The Act for Better Child Care Services ("ABC Bill")

H.R. 30 provides a program of grants and vouchers ("child care certificates") for the stated purpose of promoting "the availability and diversity of quality child care services." Child care providers who may benefit from this program include non-residential "center-based" providers, group homes, and family providers who are licensed and regulated under state law satisfying specific Federal requirements. Children eligible for coverage include those under 16 years of age whose family income does not exceed 100 percent of the state median income for a family of the same size. Among the objectives to be achieved by the program is "to strengthen the competitiveness of the United States by providing young children with a sound early childhood development experience."

At least one-third of "child care provider" beneficiaries of this legislation will be churches, synagogues, parochial schools, and other religious institutions which courts would deem "pervasively sectarian." The sponsors of this legislation obviously recognize that this fact raises some constitutional issues. Indeed, § 19 (a) provides: "No financial assistance provided under this Act shall be expended for any sectarian purpose or activity, including sectarian worship and instruction." This general prohibition, however, simply does not solve the constitutional problem which arises from federal funds going for early childhood educational efforts in "pervasively sectarian" institutions. The Constitution requires more than that specific federal dollars not be traceable to sectarian activities. It demands that federal funds not be made available for generally enhancing educational efforts in pervasively sectarian institutions. (Likewise, a nod in the direction of distinguishing sectarian from other providers is the provision in § 670 F (c)(2)(B) that capital improvement grants to sectarian organizations can only be used for "renovation or repair. . . necessary to bring such facilities into compliance with health and safety requirements improved by this subchapter.")

One threshold matter is whether child care as supported by this bill is an educational program. Notwithstanding efforts by some supporters of the legislation to downplay this aspect of child care, child care cannot be viewed as non-educational or as a mere custodial act. Indeed, the hearing record of this Committee is replete with testimony chronicling the belief of proponents that adequate child care is essential to preparation of students for elementary school. This preparation is nothing short of academic and social education. Harvard University law professor Laurence Tribe noted in a widely-circulated letter to Senator Edward Kennedy that: "the Establishment Clause bans the inclusion of sectarian institutions, such as parochial schools and churches, in a program providing funds for early childhood education." Mr. Tribe, however, does not see infirmities in the "ABC bill" because he claims it "stresses simple child care rather than child education" and is "a general social welfare program designed to protect children from the dangers of poor child care; it has little to do with education and hence does not present any obvious danger of religious indoctrination." These comments elevate form over substance, and completely misperceive a principal motivation for many religious institutions to become involved in child care in the first place: obtaining a group of impressionable children for sectarian instruction. The truth is that the human interaction and institutional goals of most "child care" programs for four-year-old children in a religious setting would be indistinguishable from the specifically "educational" program for a five-year-old in kindergarten in the same facility.

(The absurd result of not conceding that there is a substantial education component in child care financed under this bill is that federal officials will have to scrutinize programs in order to determine that no learning is occurring there.)

Since the ACLU believes that child care has a strong educational component and that "pervasively sectarian institutions" cannot be the beneficiaries of educational assistance, we believe that the current version of H.R. 30 is unconstitutional. Our analysis of applicable cases follows.

Constitutional Problems

The Supreme Court, in Lemon v. Kurtzman 403 U.S. 602 (1971), articulated a three-part test for determining whether a legislative or administrative act violates the Constitution's prohibition against laws "respecting an establishment of religion." First, the action must have a valid secular purpose. Second, it must not have as a primary effect the advancement or inhibition of religion. Third, it must not foster "excessive entanglement" between government and religion.

It is clear that the principal motivation behind H.R. 30 is secular. It is not merely a pretext to wish to provide quality child care for working parents, many of whom have difficulty finding places to keep their children during the day. However, it is also true that a great percentage of the intended beneficiaries of this bill are in fact religious organizations or parents who would receive "child care certificates" to pay for services in institutions operated by religious organizations. Even though case law suggests that only where there is a wholly religious motivation for an action will the first prong of the Lemon test not be met, Congress should consider the practical effect of a funding proposal which can be reasonably expected to substantially benefit religious institutions. Where alternatives exist, as is clearly the case here, they should be preferred to avoid Establishment Clause problems.

The second element of Lemon requires an inquiry into whether this funding would "advance religion." In a series of Supreme Court decisions, the Court has invalidated a variety of programs which benefited sectarian religious schools. For example, maintenance and repair grant to private schools in Committee for Public Education v. Nyquist 413 U.S. 756 (1973), loan of non-textbook instructional materials and equipment in Meek v. Pittenger 421 U.S. 349 (1975), issuance of revenue bonds in Hunt v. McNair 413 U.S. 734 (1973), bus transportation for field trips in Wolman V. Walter 433 U.S. 230 (1977), provision of part-time publicly supported teachers for "enrichment" courses in private schools in Grand Rapids School District v. Ball 473 U.S. 373 (1985), and use of federal Title I funds to pay salaries of public employees who teach in parochial schools in Aguilar v. Felton 473 U.S. 402 (1985) have all been deemed in violation of the non-establishment principle. It is also true that the Court has upheld public funding for some items to be used in private religious schools: free bus transportation to and from school in

Everson v. Board of Education 330 U.S. 1 (1947); loan of state-approved textbooks in Board of Education v. Allen 392 U.S. 236 (1968); and provision of state-prepared achievement tests in Committee for Public Education v. Regan 444 U.S. 646 (1980).

It is difficult to distinguish between these cases with absolute precision, but one distinction which runs through them is whether there is any flexibility in the intended use of the state-supported item. A state-selected textbook is unlikely to advance any interest (other than that of the state agency which selected it) and a yellow bus en route to a religious school arguably carries no inherent danger of advancing the religion practiced at the school.

On the other hand, forbidden practices involved funding of items going to educational facilities where the selection of actual uses was under the control of the religious school's teachers or administrators. If they had discretion to move the children on a bus to somewhere other then home or get supplementary materials, they could be doing so or making such a selection on the basis of an impermissible motive of advancement of some religious belief. The programs which could be funded through H.R. 30 would be highly discretionary.

Notwithstanding a sizable and wholly legitimate state interest in providing safe child care facilities for young children, these bills also have as a "primary effect" the advancement of religion. A very sizeable percentage of these funds would go to "an institution in which religion is so pervasive that a substantial portion of its functions are subsumed in the religious mission". Hunt v. McNair 413 U.S. 734, 743 (1973). This view is not contradicted in Justice Rehnquist's recent opinion in Bowen v. Kendrick ____U.S.____(June 29, 1988) where he rejected a challenge to the facial constitutionality of the Adolescent Family Life Act. Indeed, in Kendrick he found that grants might constitutionally go to some religious organizations because "there is no reason to assume that the religious organizations which may receive grants are 'pervasively sectarian' in the same sense as the Court has held parochial schools to be [emphasis added]" (slip opinion at 25). Indeed, in the child care legislation, funds are intended to go directly or through "vouchers" to those parochial schools and to churches and synagogues, which are obviously in the same "pervasively sectarian" category

It is hard to imagine a child care program in a religious setting where there would not be either an intentional or inadvertent inculcation of religious tenets or beliefs. How can one expect to have three-year-old children, in child care, on one floor of a Presbyterian or Roman Catholic Church not be aware of, and quite likely influenced by, overtly religious activity occurring around them on other floors. They will see religious symbols on the edifice itself, will hear religious music through the walls, and may routinely encounter persons in religious garb in the hallways or play area. This cannot help but reinforce the character of what is going on as sectarian. As one commentator noted, a "pervasive [religious] atmosphere makes on the young student's mind a lasting imprint that the holy and transcendental should be central to all facets of life." Gianella, Religious Liberty, Nonestablishment, and Doctrinal Development: Part II. The Nonestablishment Principle, 81 Harv. L. Rev. 513, 574 (1968) Indeed, "[t]he symbolism of a union between church and state is most likely to influence children of tender years, whose experience is limited and whose belief consequently are the function of environment as much as free and voluntary choice." Grand Rapids, 390.

On the other hand, it does not require a conspiratorial mindset to also envision actions by a child care provider to be influenced by the environment in which the care is given. As the Court noted in Wolman v. Walter, the danger does not always arise from deliberate action "but rather because the pressure of the environment might alter behavior from its normal course." Indeed, in Lemon the Court distinguished a textbook content which was "ascertainable" from a counselor's handling of a subject which was not facially ascertainable: "We cannot ignore the danger that a [counselor] under religious control and discipline poses to the separation of the religious from the purely secular..." The conflict is present where a religious institution hires and controls a child care employee. To act in accord with religious precepts is likely to be perceived, often accurately, as a prerequisite to continued employment.

As the Supreme Court noted in Grand Rapids, it is forbidden for a program to "provide a crucial symbolic link between government and religion, thereby enlisting, at least in the eyes of youngsters, the powers of government to the support of the religious denomination that provides such services." These extremely young and impressionable children can hardly be expected to know that there is a difference between the government and the religious institution, forced with the overwhelming overt evidence of their connection.

The "advancement" of religion, however, goes beyond the subtle environmental pressures discussed above. If a religious institution is now engaged, without federal funding, in child care because it views such work as a part of it religious mission, how can it be anything but an "advancement" of that mission to have that mission now funded with new federal dollars? To the extent that these funds relieve the institution of its self-perceived "religious duty" to manage child care without federal funds, it makes the "duty" that much easier to manage by being tax-supported.

All one need do is listen to the comments of those who run religious child care programs for preschoolers to recognize the importance they ascribe to this period. Sister Anthonita Porta is the head teacher of the Montessori Children's House of St. Joseph Academy in Adrian, Michigan. She told the Florida Catholic in an interview last May: "We teach them to believe in themselves. We teach them respect. Then we tell them about God. You can't treat a child poorly, then say there is a God up there who loves them." There are similar comments one can readily locate in regard to many other religious institutions now engaging in child care, from the Lutheran Church to the Unification Church. They believe that it is important to instruct children in religious principles as they go through the preschool program. That is entirely permissible, unless government funding is involved.

The third inquiry under Lemon is whether the program leads to excessive entanglement between government and religious institutions. For the government to be sure that sectarian influence is not present in the child care program would involve government officials in an ongoing and continual governmental monitoring of religious institutions. This is forbidden by the Establishment Clause. One glance by a federal official at a child care facility will not be sufficient to determine if sectarian activity is occurring.

The government would need to regularly examine such occurrences as: Is a prayer said before lunch? Do the child care providers express an opinion to the unruly children that "God does not like that"? Are religious holidays emphasized with sacred symbols, or do readings reflect specific religious tradition? Such scrutiny in the form of "prophylactic contacts" falls within what the Lemon court labelled "excessive and enduring entanglement between state and church". This was also a central issue in Aguilar, at 413: "In short, the religious school, which has as a primary purpose the advancement and preservation of a particular religion must endorse the ongoing presence of state personnel whose primary purpose is to monitor teachers and students in an attempt to guard against the infiltration of religious thought."

The constitutional problems here are present both in regard to grants and so-called "child care certificates." The certificates are as constitutionally defective as the tuition reimbursements for religious schools in Sloan v. Lemon 413 U.S. 825 (1973) and Committee for Public Education v. Nyquist 413 U.S. 756 (1973). That the funding goes to parents and not directly to the child care facilities does not remove the constitutional defects.

Discrimination in Services and Employment

H.R. 30, in Section 20(b), provides only that: "A child care provider may not discriminate against any child on the basis of religion in providing child care services in return for a fee paid, reimbursement received, or certificate rendered, in whole or in part with financial assistance provided under this Act." This language is shockingly inadequate. This narrow provision does not bar religious discrimination in selection of children for non-federally funded slots, does not prohibit religious schools from granting preference to its own students in programs held before or after school, and does not bar religious discrimination in the hiring of staff.

This language, then, means that even in a specific activity -- child care -- which is funded with federal dollars, certain kinds of religious-based discrimination are permissible. No one is suggesting that receipt of federal funds for a day care center located in a church basement means that the church may not use religion as a basis for hiring the pastor. However, it is wholly appropriate to bar discrimination in employment and services throughout the programs specifically receiving these federal funds. This is done in many other federal programs. Surely no one would seriously argue that a hospital receiving Hill-Benton funds could discriminate in admissions in any wing not constructed with federal assistance.

The original version of the "ABC Bill" proposed in the last Congress clearly recognized these discrimination problems and in fact, required institutions receiving funds to specifically waive their rights under § 703 of Title VII which would otherwise permit religious discrimination in staff hiring. In our view, this simply recognized that since the child care program is not supposed to foster sectarian religious values, there is absolutely no justification for a hiring decision to be made on the basis of participation, membership or beliefs in a specific religious body. Indeed, religious preference undercuts the very non-sectarian principle which proponents of this bill claim entitles programs in religious institutions to receive these funds in the first place.

Similarly, if part of the purpose of the "ABC bill" is to open up new slots to parents in need of child care, there is little rational basis for permitting any student selection to be done solely on the basis of religious background.

II. H.R. 3: The Child Development and Education Act of 1989

H.R. 3 represents a dramatic improvement over H.R. 30 in terms of sensitivity to both church - state issues and non-discrimination principles. It is not, however, without some ambiguities.

Title I of the bill would expand the Head Start Act. In our view, Head Start programs which are located in religious institutions must be directed by boards or operating bodies truly independent of the sectarian institution itself. The ACLU is not involved in any litigation in this area at this time, but continue to monitor this at our affiliate level.

Title II of the proposal would amend the "Elementary and Secondary Education Act of 1965" to provide grant authority for expansion or establishment of school-based child care or early childhood development programs to enhance the "educational, social, emotional, and recreational development of children" who are four years of age. Obviously, such funds as go to public facilities or schools raise no constitutional issue. However, the bill provides that local educational agencies must include some assistance for children in "private" child care and educational facilities in the manner provided in section 1017 of the underlying statute.

In our view, the clearly educational purpose of this newly authorized program precludes participation by private organizations that are religiously operated. As indicated in regard to H.R. 30, federal funds may not be transferred directed, or through state grants, to pervasively sectarian institutions, including churches or parochial schools, for an educational purpose. This is the clear lesson of many Supreme Court cases including Aguilar v. Felton 473 U.S. 402 (1985) which ruled unconstitutional use of federal Title I funds to pay salaries of public school employees for teaching in parochial schools.

In light of this clear constitutional principle, we must assume that the only way in which students enrolled in private, sectarian institutions could benefit from this program would be, for example, by allowing them to use the same recreational or library facilities after school which public school students could use.

Title III of H.R. 3 provides authorizations for infant and toddler child care, and involves only children under the age of three. As a practical matter, it could be argued that the young age of most participants will reduce somewhat the risk of religious indoctrination being funded with federal tax dollars.

Moreover, H.R. 3 proscribes any form of religious discrimination in employment or child care services by making applicable to this program 42 U.S.C. 9849 (a). This provision of the Head Start Act prohibits any aid to a "program, project, or activity. . . unless the grant or contract. . . specifically provides that no person with responsibilities in the operation thereof will discriminate ...because of race, creed, color, national origin, sex, political affiliation, or beliefs". The plain meaning of this language would seem to bar a recipient institution from hiring only members of its congregation or persons of like-minded religious creed or beliefs.

Finally, H.R. 3 does not contain a provision for "vouchers" or "child care certificates" which would pose the likelihood that parents would take these to sectarian institutions which fit their particular religious background.

Alternatives

By all estimates, the amount of federal funding available under H.R. 30 or H.R. 3 will not adequately meet the needs of all Americans for quality child care. Therefore, there is nothing irresponsible about taking the limited funds available and earmarking them for use in programs which do not raise these constitutional problems. The cleanest approach, then, would be to modify the definition of "eligible child care provider" to exclude "center-based child care providers" or "group home child care providers" which are operated or controlled by a religious body or institution. We believe this is the optimal solution. To limit the effect of the presence in a religious setting of the child care program, even if operated by an independent body, we would encourage you to require that religious facilities be viewed as acceptable sites only where alternative locations are not available and only if the rooms used for child care are religiously neutral, that is, devoid of religious symbols and artifacts.

In the discrimination area, we would propose that either the language from the Head Start statute, 42 U.S.C.A. § 9849 (a), be included for all programs funded in part or in whole by the new child care statute, or a new and broad non-discrimination proviso be included so that institutional recipients under the statute could neither avail themselves of the exemptions permitting religiously-based employment discrimination in either § 702 or § 703 of Title VII, nor grant any preferential treatment in admissions.

Chairman **Hawkins**. Thank you, Mr. Lynn. I am quite sure there will be many questions directed at you, but let us hear from Mr. Craft first, and then we will open up the questioning.

Mr. Craft?

Mr. **Craft**. Thank you. Mr. Chairman and members of the committee, thank you for the opportunity to appear before you today on behalf of the National Child Care Association. As you have heard, my name is Nick Craft and I do own three child care centers in the West Georgia area, very near to Atlanta.

As President of the National Child Care Association, I have been asked to bring the concerns of this young and growing and viable industry to your attention.

The National Child Care Association is an association of proprietary child care centers and preschools. Most of the members of our association are tax paying small business proprietors of single center operations.

It has been estimated that the proprietary sector of the child care industry supplies nearly half of all the licensed child care delivered in the United States and we are, therefore, uniquely qualified to participate in the policy debate concerning Federal child care legislation.

I am here today, really, to speak to the needs of low-income children and my fellow small business child care providers from around the nation, both groups of whom will be severely hurt by the provisions of H.R. 3 or any other, similar legislation, should it become the law of the land.

We face a Congressional session now brimming with child care legislation and we are relishing and enjoying an atmosphere of public attention to the nation's child care situation. We do, however, have to be realistic and practical in our evaluation of what we need in terms of child care.

For example, Title II of H.R. 3 will have an absolutely devastating effect on the private child care industry in America. If enacted, the result will be the virtual elimination of the private before and after school care, which is the second-fastest growing segment of our industry.

Additionally, the convenient placement of four-year-olds in the public schools for child care purposes will destroy an industry already struggling with enormous insurance rates, regulatory compliance, unequal competition, the rapid expansion of five-year-old kindergarten programs in public schools and inappropriate and often inaccurate publicity that we suffer.

I might mention that the effect of these provisions will not be isolated just to the licensed child care and preschool industry. Many nonprofits, nursery schools and religiously sponsored centers will also be forced to close their doors.

The economics of child care must also be understood and considered in developing an accurate picture of the striking impact this legislation would have. We are all familiar with the high cost of quality child care.

Centers, in order to accommodate the demands of parents, can only survive by balancing and spreading their fees. Because infant care is so expensive to provide, most centers will distribute that cost over the entire range of ages in a center. In other words, four-year-olds would help considerably in balancing out the loss experienced by centers who are caring for infants and toddlers.

It is also difficult to understand, frankly, why we continue to burden a very much struggling public education system in this country with more and more responsibility that is not directly related to education, in our opinion.

Is it truly the responsibility of the Department of Education to provide child care services for the nation? We hardly think so. I can assure you that the system in place, which cares for and educates our preschool children, is very much alive and well in this country and lives in the private, for-profit and nonprofit sectors as well as the public nonprofit groups.

With proper attention and assistance, that delivery system can be expanded to accommodate the needs of the country in a fiscally responsible manner.

I would like to also address the issue of Federal standards and our concerns with that issue. Both Title III of H.R. 3 and a key section of H.R. 30 mandate Federal standards, as we have discussed over and over this morning.

The imposition of proposed standards, which are primarily child/staff ratios and group size, while purporting to improve the quality of child care in this country, would actually result in the closing of an estimated 12,630 licensed child care facilities or twenty percent of all the child care centers in America, this according to a recent nation-wide study.

In addition, that study predicts that Federal standards would displace three-quarters of a million children who are presently enrolled in licensed child care facilities, paying their own way and not being subsidized by the government, I might add.

That same survey found that Federal standards would increase the cost of licensed care for working parents in this country by over a billion dollars a year.

These economic effects that I have just mentioned will be especially severe in the very fast-growing Sun Belt states, where parents will have to absorb eighty percent of the total tuition increase and where 84 percent of the total child displacement will occur.

For example, in two of the states that lead the nation in availability of licensed child care, Texas and Florida, Texas parents could expect an average increase in their weekly tuition of over eighteen dollars, which is about a 35 percent jump, and parents in Florida would suffer a $16 a week increase, which is about a thirty percent jump for them in the State of Florida.

Now, the 1979 National Day Care Study that was commissioned by the then Department of Health, Education and Welfare confirmed that the staff/child ratio was the most important determinant of a provider's costs. Moreover, the study found only a slight correlation between the child/staff ratio and the quality of the programs.

These are rather frightening statistics and suggest that there must be other ways to deal with the quality issues. Even more staggering than the statistics is the fact that the children of working parents displaced from licensed care must find care somewhere.

All too often, the result of increased child care fees has been the placement of children in unlicensed, unregulated, unmonitored and very often times, unsafe, child care alternatives. This is not an acceptable solution to an industry that cares about the well-being of all our children.

There is also a confusing discrepancy in the criteria for Federal standards in legislation that is now before this committee. It is not clear, frankly, whether Federal standards would be imposed on all child care or if they would be imposed only on centers using public funds.

If they were imposed on all child care, the children in young families will suffer from a decrease in available child care and an increase in cost. On the other hand, if they are imposed only on centers receiving public funds, the result will be a two-tiered system of child care that will develop.

Of course, one system would be for low-income children and the other system for fee-paying. Such a situation is a conflict for taxpayers, frankly, that are not eligible for the low-income system, yet have to pay for it with their own tax dollars.

As an alternative, our association supports the strengthening of state licensing departments. I am sure you are aware that every state in the union has licensing standards and monitoring for at least the nonsectarian-based child care centers, and we join our voices to those of many advocates who contend that most licensing departments in states are in dire need of additional resources.

We believe it is an appropriate role of the Federal government to give assistance to those departments to assure adequate monitoring of non-family out-of-home care. We hope this committee shares our strong commitment to the licensing and monitoring of non-family out-of-home care, including the ninety percent of paid family day care providers in this country who are not regulated or monitored in any fashion whatsoever.

Until this country improves, upgrades and assures all children the equal enforcement of health and safety standards in the current system, it seems ludicrous that we seek to impose even stronger standards on the very segment of the industry that is already highly regulated and willingly accepts state regulations for the protection of the children we care for.

Now, I believe the one thing that all advocates, and I'm sure probably this committee also would agree on, is that we as a nation must begin to quickly address the need for low-income child care. It is substantiated that the lack of available low-income child care is a certain barrier to employability and a detriment to those children.

We must ensure that the truly needy, at-risk children receive the advantages of quality child care and that they begin to receive those advantages fairly quickly. In my state alone, Georgia, there are over ten thousand children that remain on the waiting list, wanting Title XX child care in our state and who qualify for it. There simply aren't slots for them.

Because we believe that all advocates will agree on the need for rapid implementation of low-income assistance, we are very concerned with the constitutional question that is now being raised again on the ABC bill as it was in the last Congress.

The threat of litigation regarding constitutionality could delay or even prevent the implementation of desperately needed low-income child care assistance. It is a cruel, cruel situation to dangle the carrot of hope, only to have actual assistance prevented by what is certain to be a protracted court battle.

Surely, the wisdom of this committee can find a solution to this situation. Perhaps a constitutional challenge could be avoided. I'm no constitutional law expert: I say again that perhaps a constitutional challenge could be avoided by a tax credit approach; perhaps coupled with funding for low-income child care through the Social Service Block Grant programs that are now in existence.

While I am extremely grateful to this committee for allowing me to testify for the National Child Care Association and our viewpoints, I must encourage you to continue seeking input from all sources.

What I have to say as an actual practitioner and provider of child care is quite different from what you have probably been hearing from theorists, social scientists and even insurance companies.

However, remember: We are the ones who are implementing child care policy and actually providing child care service in this country, not them. With an estimated three million children in licensed child care across the country, I must assume that we, as an industry, are doing something right.

I know I speak for thousands of child care professionals who are extremely proud of the job they are doing, and we are getting bigger and more professional every day. For example, in 1977, the U.S. Census Bureau only identified 18,000 licensed centers in this country. Only eight short years later, that figure had risen to 61,000 centers, a seventy percent increase.

This nation's child care industry is currently adding $15 billion to the gross national product and, according to a recent article in The Wall Street Journal, we are to expect an annual growth rate in our industry of 21 percent through 1995. At that time, our industry will be contributing an estimated $48 billion a year to the economy.

In addition, the Census Bureau identified a million child care center employees in 1984. It is, I am certain, a great deal higher than that today. In 1985, 25 percent of working women with preschool children used licensed child care centers, up from only 16 percent two years before that.

Now, while national child care chains, of course, do continue to expand, I believe it is important to note that the for-profit child care industry is still dominated by small, tax-paying proprietors like myself.

Of the estimated 35,000 for-profit centers in this country, less than eight percent are operated by those five big national chains that you may be aware of. Businesses are also beginning to see the value of responding to the child care needs of their employees.

For example, in 1978, only 110 employers nation-wide offered some kind of child care assistance. Ten years later, that number had risen by 3500 percent to 3,500 companies. While this expansion and growth in child care services, has not happened overnight, the fact to remember is that it is happening and it has happened largely without the government.

Imagine what could be done to encourage and continue this kind of growth with the implementation of some well directed and developed, sound government policies?

I hope I have piqued your interest as to what we, as practitioners, advocate for America's child care policy. The debate around child care has often centered on this great trilemma that we have heard debated today: affordability, availability and quality.

The private sector providers, through the National Child Care Association, want to help be part of the solution, not part of the problem, so we offer a few proposals for your consideration.

First, we all understand that child care is expensive. As regulations are implemented and increased, as we strive to fulfill parents' demands and improve the salaries and benefits of child care professionals and as we struggle to stay in business when faced with tremendous increases in insurance premiums, the cost of child care has and will continue to rise.

We suggest that help with this expense be given to working families through the Tax Code. Of course, parental choice and flexibility are vital to this approach.

Second, we would encourage the Federal government to move quickly to increase funding for qualitative improvement in low-income child care through a proven, effective delivery system such as Title XX or the Head Start program.

Third, we would also suggest that the government encourage the growth and development of employer-sponsored child care benefits through some real legitimate tax incentives to business.

Fourth, the results of studies on the availability of child care, frankly, have been very conflicting. Some of the advocates that have appeared have painted a rather dismal picture, indicating a lack of child care in this country.

We have honestly not been able to identify a critical, massive national shortage of child care. Quite to the contrary, frankly, we estimate that there is a vacancy rate among licensed child care centers in this country of somewhere between 15 to 30 percent.

We can see that there is a desperate need for low-income child care and we suggest a practical solution. Why not use this identified vacancy rate to help fulfill the need for low-income child care?

However, again, I must caution you against the imposition of unrealistic barriers to participation which would impede the ability of the private sector to participate and still maintain the integrity of our current business.

Fifth, we suggest that the Federal government play a role in providing resources for state licensing departments to more completely and consistently license all non-family out-of-home child care, as well as center-based care, of course.

We also encourage the Federal government to help us improve the quality of child care through increased training of child care professionals and increased consumer educations, as others have mentioned earlier today.

In conclusion, Mr. Chairman and members of the committee, I wish to again thank you for the opportunity to testify before this committee. I have tried to present as accurate a picture of both my industry and profession and the goals and concerns that we have for the children of America as I possibly could.

We are a new industry. We are developing. We are professionalizing and growing at an incredible rate, but we need your help to continue our commitment to children and to private enterprise.

I urge you to carefully consider the terrible impact this legislation could have on the future of child care in America by not accurately targeting low-income child care needs and by forcing many existing centers out of business, thus forcing literally hundreds of thousands of children out of quality, licensed child care.

Thank you, Mr. Chairman. I would be delighted to answer any questions you might have.

[The prepared statement of Nick Craft follows:]

TESTIMONY OF NICK CRAFT, PRESIDENT

on behalf of

THE NATIONAL CHILD CARE ASSOCIATION

before the

COMMITTEE ON EDUCATION AND LABOR
UNITED STATES HOUSE OF REPRESENTATIVES

APRIL 5, 1989

TESTIMONY OF NICK CRAFT, PRESIDENT ON BEHALF OF THE NATIONAL CHILD CARE ASSOCIATION BEFORE THE COMMITTEE ON EDUCATION AND LABOR UNITED STATES HOUSE OF REPRESENTATIVES

Wednesday, April 5, 1989

Mr. Chairman and Members of the Committee:

Thank you for the opportunity to appear before you today on behalf of the National Child Care Association (NCCA). My name is Nick Craft and I own three child care centers in West Georgia. As President of the National Child Care Association, I have been asked to bring the concerns of this young, growing and viable industry to your attention.

The National Child Care Association is an association of proprietary child care centers and pre-schools. Most of the members of NCCA are tax paying small business proprietors of single center operations. NCCA was formed as a coalition of State Associations representing proprietary child care centers and preschools.

It has been estimated that the proprietary sector of the child care industry supplies some 40% to 50% of all licensed child care delivered in the United States. As the only national association of proprietary child care providers, NCCA is uniquely situated to participate in the policy debate concerning pending federal legislation on child care. NCCA supports Federal efforts to provide much needed child care for **low income families,** to improve the quality of child care and to expand the delivery system.

As child care providers, we believe that Federal initiatives in the area of child care are long overdue and we welcome those efforts. However, we believe that the Federal role in child care must be carefully crafted to increase capacity rather than to decrease it and to preserve, expand and draw from the current child care system rather than destroy it.

NCCA believes that the proper goal of Federal child care policy should be to encourage and promote parental rights and choices about child care. We, who are reminded daily of the value of good child care to today's working parents, are strong advocates of providing assistance to low income families for their child care costs and we vehemently support state licensing standards for pre-schools, kindergartens, child care centers, group day care homes and family day care homes -- any paid non-familial out of home child care environment.

Allow me to acquaint you briefly with the industry I am representing. We are a young, growing industry. In the best American tradition, we have responded, before government has I might add, to the demands of our country's current life styles and to what parents demand for their children. We have grown into a diverse industry because we have tried to meet parental, religious, ethnic, educational and programming demands. We will continue to develop if equal market conditions are allowed to operate within our environment of free enterprise.

In 1977, the US Census Bureau identified 18,300 licensed child care centers in this country. In 1985, that figure had risen to 61,079 licensed centers -- a 70% increase. This nation's child care industry currently adds $15.3 billion to gross revenue, and according to a recent article in the Wall Street Journal, an annual growth rate of 21% through 1995 is expected. At that time my industry will contribute an estimated $48 billion to our economy. Additionally, the Census Bureau identified 1,060,000 child care center employees in 1984. It is well over that figure today. In 1985, 25% of working women with preschool children used licensed child care centers, compared with 16% in 1982.

While national chains continue to expand, I believe it is important to note that the for profit child care industry is still dominated by small tax paying proprietors. Of the estimated 35,000 for profit centers in the country, less than 8% are operated by the five national chains. Businesses are also beginning to see the value of responding to the child care needs of their employees. In 1978, 110 employers nationwide offered some kind of child care assistance. Last year that number reached 3,500. While this expansion and growth in child care services has not happened overnight, the fact to remember is that it **is happening** and it has happened largely without government. Imagine what could be done to encourage and continue this growth with the implementation of some well directed and developed, sound government policy.

These are but a few of the hard and cold facts about child care. There is another side with which I am extremely familiar...and that is the human side, both in terms of owners and staff who strive continually to provide quality child care, and for the young families who have expressed confidence in this industry by placing their most precious possessions in our care. Many of us have committed our futures and those of our families to this profession, not because of high profit margins (which do not exist), but because of a genuine concern for young children. We are an industry which cares deeply for America's children and their access to safe, licensed, quality child care.

We face a Congressional Session brimming with child care legislation and we are relishing and enjoying an atmosphere of public attention to the nation's child care situation. We do, however, have to be realistic and practical in our evaluation of what we need in terms of child care.

Title II of HR 3 will have a devastating effect on the private child care industry. If enacted, the result will be the virtual elimination of private before and after school child care, the second fastest growing segment of our industry. Additionally, the convenient placement of four year olds in the public schools for child care purposes will destroy an industry already struggling with enormous insurance rates, regulatory compliance, unequal competition, the rapid expansion of five year old kindergartens in public schools, and inappropriate, often inaccurate negative publicity. I might mention that the effect of these provisions will not be isolated to the licensed child care and preschool industry. Many non-profits, nursery schools, and religiously sponsored centers will also be forced to close their doors.

The economics of child care must also be understood and considered in developing an accurate picture of the striking impact this legislation would have. We are all familiar with the high cost of quality child care. Centers, in order to accommodate the demands of parents, can only survive by balancing and spreading their fees. Because infant care is so expensive to provide, rather than charge the actual cost, centers distribute that cost over the entire center. In other words, four year olds help considerably in balancing out the loss experienced by centers on infants and toddlers.

It is also difficult to understand why we continue to burden our struggling educational system with more and more responsibility not directly related to education. Is it truly the responsibility of the Department of Education to provide child care services for the nation? I can assure you that the system in place which cares for and educates our pre-school children is alive and well and lives in the private for profit and non profit, as well as the public non profit, sectors. With proper attention and assistance, that delivery system can be expanded to accommodate the needs of the country in a fiscally responsible manner.

I would also like to address federal standards and our concerns with that issue. Both Title III of HR 3 and HR 30 mandate federal standards. The imposition of the proposed standards (primarily staff child ratios and group size), while purporting to improve the quality of child care, would result in the closing of an estimated 12,630 licensed child care facilities, or 20% of all the licensed centers presently in operation, according to a nationwide study. Additionally, the study predicts that federal standards would displace 786,400 unsubsidized children who are presently enrolled in licensed child care facilities. The survey found that federal standards would increase the cost of licensed child care for working parents by nearly $1.2 billion a year.

The 1979 National Day Care Study commissioned by the Department of Health, Education and Welfare, confirmed that the staff child ratio was the most important determinant of providers' costs. Moreover, the study found only a "slight" correlation between staff child ratio and quality. These are staggering statistics and suggest that there must be other ways to deal with quality issues. Even more staggering than the statistics is the fact that children of working parents displaced from licensed care must find care somewhere. All too often the result of increased child care fees has been the placement of children in unlicensed, unregulated, unmonitored and oftentimes unsafe alternatives. This is not an acceptable solution to an industry that cares about the wellbeing of all children.

There is a confusing discrepancy in the criteria for federal standards in legislation before this Committee. It is not clear whether federal standards would be imposed on all child care or if they would be imposed only on centers using public funds. If imposed on all child care, the children and young families will suffer from a decrease in available child care and an increase in cost. If imposed only on centers receiving public funds, the result will be a two tiered system of child care. One, a system for low income and two, a system for fee paying children. Such a situation is a conflict for taxpayers who are not eligible for the low income system, yet have to pay for it with tax dollars.

As an alternative, this Association supports the strengthening of state licensing departments. I am sure you are aware that every state in the Union has licensing standards and monitoring for at least non-sectarian center based child care. We join the voices of many advocates who contend that most state licensing departments are in dire need of additional resources and we believe it is an appropriate role of the federal government to give assistance to those departments to assure adequate monitoring of non-familial out of home child care. We hope this committee shares our strong commitment to the licensing and monitoring of all non-familial out of home care, including the 90% of paid family day care providers who are not regulated or monitored in any fashion. Until this country improves, upgrades and assures all children of the equal enforcement of health and safety standards in its current system, it seems ludicrous that we seek to impose even stronger standards on the very segment of the industry that is already highly regulated and willingly accepts state regulations for the protection of the children we care for.

I believe the one thing all advocates and I'm sure this Committee can agree upon is that we, as a nation, must begin to address with swift dispatch the need for low income child care. It is substantiated that the lack of available low income child care is a barrier to employability and a detriment to children. We must insure that truly needy, at risk children receive the advantages of quality child care, and that they begin to receive those advantages NOW. In my state alone, over 10,000 children remain on the waiting list for available Title XX slots. Because we believe that all advocates will agree on the need for rapid implementation of low income assistance, we are concerned with the constitutional question being raised again about the ABC bill. The threat of litigation regarding constitutionality could delay or even prevent the implementation of desperately needed low income child care assistance. It is cruel to dangle the carrot of hope only to have the actual assistance prevented by a potentially lengthy court battle. Surely in the wisdom of this Committee a solution can be found to this situation. Perhaps a constitutional challenge could be avoided by a tax credit approach coupled with additional funding for low income child care through the Social Service Block Grant program?

While I am extremely grateful to the Committee for allowing testimony from the National Child Care Association, I must encourage you to continue seeking input from all sources. What I have to say, as a practitioner and provider of child care is very different from what you may have already heard from the theorists, social scientists and even insurance underwriters. However we are the ones implementing child care policy and actually providing the service. With an estimated three million children in licensed child care across the country, I assume we, as an industry, must be doing something right. I know I speak for thousands of child care professionals who are extremely proud of the job they do.

I hope I have peaked your interest as to what we, as practitioners, advocate for America's child care policy. The debate around child care has centered of its affordability, its availability and its quality. We intend to address these same issues in the following proposals.

Child care is expensive. As regulations are implemented and increased, as we strive to fulfill parents' demands, as we improve the salaries and benefits of child care professionals, and as we struggle to stay in business when faced with tremendous increases in insurance premiums, the cost of child care has and will continue to rise. We suggest that help with this expense be given to working families through the tax code. Parental choice and flexibility are innate to this approach. Additionally, we encourage the federal government to move quickly to increase funding for and qualitative improvement in low income child care through a proven, effective delivery system such as Title XX - Social Services Block Grants. We also suggest that the government encourage the growth and development of employer sponsored child care benefits through legitimate tax incentives to businesses.

The results of studies on the availability of child care have been conflicting. Some advocates paint a dismal picture indicating a lack of child care in this country. We have not been able to identify critical, massive shortages of child care. Rather, we estimate a 14% to 30% vacancy rate among licensed centers throughout the country. We concede a desperate need for low income child care and suggest a practical solution. Why not use the identified vacancy rate to help fulfill the need for low income child care? However, I must caution you against the imposition of unrealistic barriers to participation which would impede the ability of the private sector to participate and still maintain the integrity of their current businesses.

The quality issue in child care is nebulous at best. Quality means different things to different people and it is that broad spectrum of parental demands and expectations that has afforded this nation its diverse child care system. And it is the protection of this diversity that we, as an industry, feel is important to the working parents of America. We suggest that the federal government play a role in providing resources for state licensing departments to more completely and consistently license all non-familial out of home child care, as well as center based care. We also encourage the federal government to help us to improve the quality of child care by increased training of child care professionals and increased consumer education.

In conclusion, I wish to once again thank you for this opportunity to present testimony before the Committee on Education and Labor. I have tried to present an accurate picture of both my industry and my profession and our goals and concerns for the children of America. We are a new industry, we are developing, and we are professionalizing at an incredible pace. We need your help to continue both our commitment to private enterprise and to children. I urge you to consider carefully the impact of your legislative action on our future.

Chairman **Hawkins**. Thank you, Mr. Craft.

The Chair would like to direct a couple of questions to Mr. Lynn at this time. Mr. Lynn, do I understand from the testimony that you have given that merely adding a prohibition against discrimination in enrollments and employment would not, itself, correct the constitutional defect?

Mr. **Lynn**. I think that's right. That goes, certainly, toward ensuring that there is less of a sectarian influence, but I think the only way to truly cure the problem is to exclude from the coverage of eligible child care provider any sectarian, any facility which is controlled by or operated by a sectarian group.

You could have the facility, the physical facility, used, as many of the previous witnesses have indicated churches are used, but that it could not be operated by the Board of Deacons or the parish committee.

Chairman **Hawkins**. Would a distinction being made in the use of the Federal money between a non-Federally funded slot and one which is Federally funded, would that, in any way, cure the constitutional defect?

Mr. **Lynn**. I do not believe that it would. I think that, in general, when we give Federal dollars to an institution, we assume that the institution will not discriminate in any of the slots in that same program. In part, that was what the whole Grove City fight was about, but we are not even suggesting that we go that far here.

We are simply suggesting that if Federal dollars go into the child care program, that then there is really no justification for discrimination in any of the slots in that program.

Chairman **Hawkins**. Well, that was going to be the next question. Do you think that would invoke the Grove City decision?

Mr. **Lynn**. In a sense, this is narrower, because all we are saying here is that in this program, if you are going to have some slots, we have got the same activity, the same program. It's called child care. If you are going to give Federal dollars into that program, then all of the slots, in our view, must be open on a non-discriminatory basis.

It does not necessarily, as I pointed out at least in the written testimony, we are not suggesting that this means the entire church is covered and you have to hire the pastor on a non-discriminatory basis.

We are just suggesting that in this program, all the slots must be open on a non-discriminatory basis.

Chairman **Hawkins**. Mr. Craft, your testimony seems to preclude any type of Federal standards; am I correct?

Mr. **Craft**. Mr. Chairman, the position of the National Child Care Association is that, frankly, the states have got considerably child care standards already in place now. I should have brought it with me today.

In the State of Georgia, for example, where I come from, recently the state proposed a new set of child care standards, again for only licensed child care programs. Their proposal to us as the industry for our first review was a document that was one hundred legal pages long. Now, that is a pretty thorough set of regulations. Ours is by no means the most exhaustive set of regulations in the country.

The states have gone a very long distance toward advancing the regulation of child care centers. Again, this is one reason why the National Governors Association is so strong on this issue. They are very strong on the fact that this is a states' rights issue, that child care centers in states should be controlled by laws, rules and regulations of those states.

So, to answer the question exactly, yes. We are opposed to Federal regulations because we don't see them doing anything, at least as we have seen them applied through the ABC bill in the last Congress. We don't see them doing anything other than crushing the child care industry.

Chairman HAWKINS. What about states that may not be as adequate as they should? There are such states. On health and safety codes, for example, you would, in those instances, allow the receipt of Federal dollars without in any way agreeing to any regulations?

Mr. CRAFT. Mr. Chairman, again, this is a terribly complex situation. Here again, in my testimony, I tried to indicate that it could go one of two ways. It probably depends upon the wisdom of this committee.

If the regulations are to be applied to everyone in child care, then we've got a major problem because it is going to have the effect, as I indicated in my testimony, of putting an awful lot of people out of business, thus forcing children out of licensed child care programs.

Again, it has a very pronounced impact, principally in the Sun Belt states. Why? I don't know. Perhaps it is because there is a correlation between high growth in the Sun Belt, a lot of child care down there, and a very low cost for child care in those states.

The converse seems to be true if we looked at the northern states. There is less child care. It is dramatically more expensive and it is not growing at the same rate. Am I moving in the direction to answer this question?

Chairman HAWKINS. Well, not to my satisfaction but it is an answer. I have some disagreement with it.

Mr. CRAFT. Let me elaborate.

Chairman HAWKINS. You have clarified it, I think. I just believe that where Federal dollars are involved, there is always the obligation imposed on those who receive it to meet minimal standards.

Mr. CRAFT. Well, perhaps you would clarify for me, Mr. Chairman, what is the intention of the committee and of the legislation on this issue? Is it to only follow the Federal dollars and go into the centers where the Federal dollars go, or is it to be applied, in fact, to all child care in the states where Federal dollars go?

Chairman HAWKINS. Let's assume that it is only where Federal dollars are involved. You seem to disagree with that even in those instances. Personally, I do not know what the intent of this committee will eventually end up being. There are obviously many views on the committee.

I was trying to clarify the opinion that you had expressed as to whether or not, where Federal dollars are involved, we are precluded from imposing any Federal standards.

You seem to suggest that even in those instances, Federal standards should not be imposed.

Mr. **Craft**. No, if it is the will of the committee to impose those, that is going to be the way it is. But, what I am afraid is going to happen, as I have indicated, if the Federal dollars and the Federal regulations go hand in hand to a center, you are going to wind up with a very fast evolution of a two-tiered child care delivery system in this country.

The lowest tier would be those subsidized child care slots with Federal dollars and Federal regulations. The other tier would be—and it would be totally discriminatory and totally separated. It would be a tier made up of people who did not want to follow the Federal standards; therefore, they would not accept any Federal dollars, so we have a dilemma here.

Chairman **Hawkins**. I think you make it clear enough.

Mr. Tauke?

Mr. **Tauke**. Thank you, Mr. Chairman. First of all, I regret I was not here for all of the testimony. I serve on the Infant Mortality Commission, which was also meeting this morning on another issue of concern to children.

First, Mr. Lynn, let me just ask a couple of questions about some of the constitutional problems. Do you believe that if we have tax credits given to parents and then parents make a decision to take those tax credits against expenditures made for a church-based program, that that runs into any constitutional problems, or is that pretty safe constitutionally?

Mr. **Lynn**. Well, the ACLU does not always agree with the decisions of the Supreme Court. The Supreme Court does seem to be moving in the direction of upholding some tax-based systems. We do not believe that it is constitutionally acceptable, however, for there to be a broad tuition-based tax credit system at either the early childhood education level or on up into elementary or secondary schools.

Certainly, the cases that do exist suggest that the constitutional problem is ameliorated as you get into manipulation of a tax system and away from direct grants and other kinds of subsidies.

Mr. **Tauke**. In your testimony, as I understood it, you indicated that there would be some problem with a voucher or a child care certificate, that kind of thing. However, in the decision in the Witters versus Washington Department of Services for the Blind case, the Supreme Court in 1986 ruled nine to nothing that this kind of voucher did not seem to be a problem.

That case involved a challenge against a vocational rehabilitation grant, as you may know, to a blind person who chose to use the grant to enroll in a religious college and train for the ministry.

The Court said, and I quote: "Any aid provided under Washington's program that ultimately flows to religious institutions does so only as a result of the genuinely independent and private choices of aid recipients."

The Court went on to say: "The fact that aid goes to individuals means that the decision to support religious education is made by the individual, not the state."

Now, do you believe that the situation with child care certificates is different and, if so, why, and why would we run into constitutional problems?

Mr. **Lynn**. There are two major distinctions. One is just the scope of the program that we are talking about. This was a very narrow program and one could argue for a long time about the narrowness of the decision itself.

But, of more importance perhaps, you do not have, in the context of that vocational training program or educational program for a much older child, the problem of the undue sectarian influence on very young children that is present in a massive program like that that would be enacted under the Act for Better Child Care.

I think that when you talk about the differences in the ages of the individuals involved and also talk about the scope of the program, it is quite possible to make a sound argument that these vouchers—or child care certificates, as they are called in the Act for Better Child Care—raise very fundamental constitutional problems not addressed by the Witters case.

Sometimes, vouchers are referred to as indirect aid, but this is very direct aid, as I understand it in the Act for Better Child Care. You've got a voucher that is going to be taken by that parent, for whatever reason, to whatever school, including sectarian institutions, to be used for the general educational efforts of that sectarian institution.

That, it seems to me, to be very, very close to simply giving the grant directly from the Federal government to the facility. This is saying: Here will be an eligible group of parents. We will give them the money in the form of a voucher. The voucher will be taken to the sectarian school, and the sectarian school will cash it in. That sounds to me like a direct subsidy of sectarian education for young children, which I think the Constitution and the cases prohibit.

Mr. **Tauke**. Mr. Craft, you expressed some concern about subsidizing schools, if you will, for care for four-year-olds and for after-school care. I understand the concern you have about four-year-olds, because if they are taken out of the system, if you will, it is going to be very difficult financially for existing child care centers to survive.

From an after-school care perspective, however, let's say you have a first grader who might be kept at the school facility, what is the problem there? What kind of threat does that present to the private child care industry?

Mr. **Craft**. Frankly, Congressman Tauke, we have had a number of successes and I think we will see a number of success stories that will arise in the future, where we have an excellent cooperation between the private sector and the public sector in this matter.

Many school systems are reluctant to get into this business of after school care. They consider it well outside the range of education, which is their principle function and they simply do not want to fool with it.

However, as has been pointed out this morning when you were not with us, here are these facilities that simply sit empty all the time and it does seem terribly logical to use them, so we have found a developing cooperation between private child care operators who wish to go into the public schools and operate these programs on their grounds, using our staff, our insurance, our everything, just using their buildings.

I would like to hope that there could be some cooperation in this area in the future. In other situations, where we have had public schools that wished to go into the after-school program, we are trying to convince them of the impact it will have on the private sector.

If they wish to go into this, anyway, we try to direct them toward consideration of low-income children, perhaps using some screening criteria like the free and reduced lunch program, to serve the needs of the low-income child. This is what we have been harping on over and over and over.

It is terribly unfortunate that it has taken until today to get someone here who represents private child care providers, those who really provide the service to this country, to testify before this committee. It has been terribly disappointing, frankly, because we are half of the child care in America and are going to be seriously impacted by this legislation.

Mr. TAUKE. We thank you for your testimony. I see the red light is on.

Thank you, Mr. Chairman.

Chairman HAWKINS. Mr. Williams?

Mr. WILLIAMS. Thank you. Mr. Lynn, as you have indicated in your testimony, Head Start legislation embodies antidiscrimination provisions. You would like to see those included in whatever child care legislation is passed by the Congress.

What other Federal programs include those same protections?

Mr. LYNN. There are similar protections in the Public Health Service's Act. There are similar provisions that have been litigated in the Medicare context, so that you cannot discriminate whether the specific individual in the hospital is receiving Medicare or not.

There are protections in Title 42, in the National Volunteer Antipoverty Programs, the umbrella for groups like Foster Grandparents and VISTA, all of which contain this kind of clear-cut nondiscrimination principle. It is precisely that kind of principle that we would like to see embodied in this legislation.

If it makes sense in all those programs and particularly if it makes sense in Head Start, then I fail to see how it could not make sense to put it into this new program.

Mr. WILLIAMS. As you know and again pointed out in your testimony, the Supreme Court has viewed differently different kinds of Federal education assistance to religious schools. In some cases, the aid is permissible; in others, the aid is not.

Elaborate a bit more for us about what you believe the key distinctions to be and why do you find that child care is on the impermissible side of that equation?

Mr. LYNN. I think the critical distinction is the discretionary use of whatever is being given, whether it is the funds or the specific product, so that you find if it is a state sanctioned textbook and it is going to be loaned to the parochial school, the Court has upheld that as lawful and constitutional.

If, however, the religious school has discretion to choose which textbooks to select and then be reimbursed, the court has found it unconstitutional.

In the child care context, you can imagine a Federal program to distribute diapers to day care centers. There is very little that I can think of, of a sectarian distinction between the use of diapers in a church and somewhere else, although maybe the amount of swearing at the little tabs on the disposable diapers might be the difference, but I can't think of a serious difference.

When you start talking about child care certificates that are brought by a parent to the sectarian school of his or her choice and then becomes comingled with the general educational funds in that institution, I think you have crossed the line. You are clearly in the discretionary use category, which the Supreme Court would strike down.

I think that is why I see the wholehearted discretion in this funding as being the critical distinction here. This is not like a school bus that takes you from house to school and nowhere else. This is widespread discretionary use by these facilities.

Mr. **Williams**. Mr. Craft, your membership includes centers across the country, does it?

Mr. **Craft**. That is correct.

Mr. **Williams**. Do you have any religious-affiliated centers providing day care that are members?

Mr. **Craft**. Yes, I do.

Mr. **Williams**. Have you visited some of those centers?

Mr. **Craft**. Yes.

Mr. **Williams**. Have you ever seen, on the walls of those centers, religious-oriented pictures or quotes or slogans?

Mr. **Craft**. Yes, I have.

Mr. **Williams**. Religious symbols?

Mr. **Craft**. Certainly.

Mr. **Williams**. Have you had lunch or breakfast in one of the centers?

Mr. **Craft**. Yes, and I said a prayer before I had it.

Mr. **Williams**. Would you consider those things to be an advancement of religion?

Mr. **Craft**. Certainly.

Mr. **Williams**. Have your members, those member schools we are talking about or member centers, have they expressed concern to your association about not becoming entangled with the Federal government with regard to their ability to continue to advance those religious ethics?

Mr. **Craft**. Yes, it's a thorny issue.

Mr. **Williams**. Well, we would agree with that membership that is very concerned about that. We are trying, at least, for my part, in my efforts to amend the various bills that have been before us, to try to assure that they meet constitutional muster, I want to make the case to you and to those members that I'm on their side.

I want them to avoid the entanglement, too. They will wish they had never gotten into it if they find the Federal inspectors saying to them, "You can't have this prayer before this lunch. You've got to take that crucifix down. That music has to stop." They will wish they had never gotten into it.

So, this committee and your association and others, including the ACLU who are concerned about this, for the benefit of your members and their children, should work together to try to resolve this in a way that that entanglement never takes place.

Mr. CRAFT. Congressman, we would like to work with anyone we can work with towards some positive child care legislation. Again, as I indicated in my testimony, the thing that is most frightening to us is that any bill which could potentially help children in this country, especially low-income children who are in desperate need of care, is going to wind up hopelessly entangled in the courts unless we fix this constitutional issue.

I just do not see any way around that, as my colleague here is testifying.

Mr. WILLIAMS. Thank you. Thank you, Mr. Chairman.

Chairman HAWKINS. Mr. Hayes?

Mr. HAYES. Thank you, Mr. Chairman. I have the dubious distinction of being from a state that has just been recently categorized by a group that did considerable research and have statistics to substantiate their conclusion, that the State of Illinois has the most segregated public school system out of the whole fifty in the United States.

The city which I come from, they attribute some of it to the neighborhood alignments which are such because of political reasons with a long history to it. The thing that somewhat disturbs me is when you say states should have a right to continue to administer the educational program, how can we change that, Mr. Craft, with this kind of situation existing?

Number two, I think this could be directed to you in the Civil Liberties Union there, I'm bothered about the recent Supreme Court action in regards to Grove City versus Bell, where they virtually undid what had been established. We are talking about a post-secondary school, the right to discriminate in parts of an institution and get Federal funds in the other part.

Couldn't this same yardstick be applied to the current safeguards we have around the Head Start program against discrimination? There seems to be a rise in sentiment in certain areas for the voucher system, not without the knowledge that they know there are discriminatory facets.

There is increasing talk about choice when it comes to entrance into schools, even at the levels which we are discussing here on this current legislation. You said in your conclusion that either we use the Head Start protection or a new broad, non-discriminatory proviso to be included so that institution recipients under the statute could not avail themselves of exemptions permitting religiously based employment discrimination.

Now, that could happen even with that. Do you have some language that might protect us or help us with what we are fighting now on the post-secondary level?

Mr. LYNN. Well, I think the difference and the thing that probably insulates the Head Start statute from the kind of argument which we believe was wrongly made by the Supreme Court, Head Start is a specific program or activity. It is protecting against discrimination in that specific program.

What I am saying here is that at the very least, at the very least, we need to guarantee that in a new Federal child care program, there can be no—no—discrimination at all in any slot in that program and absolutely no discrimination in employment.

I would prefer to see a new statute which would specifically say: We mean to cover admissions. We mean to cover services. We mean to cover employment. We mean that there are no ifs, ands or buts about it.

I do have language that I could certainly submit to you and to the Chairman that would address that issue.

Mr. **Hayes**. Would you address yourself to this question of state's rights as it applies to my state in its condition?

Mr. **Craft**. If you are referring, Congressman, to the states' rights issue I mentioned, I was talking about it in terms of regulations. Are we talking about the same issue here?

My comment was that the states, Congressman, because they are——

Mr. **Hayes**. I am talking about Federal funds being administered by the state.

Mr. **Craft**. As I indicated before, sir, we have got a real dilemma here that we have got to resolve somehow, because the Federal dollars can flow two different ways or this system can be set up two different ways.

If it is going to be a requirement under this new, proposed law that all states accepting Federal money accept Federal regulations, then we've got a real problem.

If, on the other hand, we go the other direction and say that Federal dollars will attract Federal regulations only to the specific centers in which those Federal dollars are spent, then we've got the evolution of what is certain to become a two-tiered child care delivery system in this country which is going to be quite separate.

Mr. **Hayes**. Thank you. I see my time is exhausted.

Chairman **Hawkins**. Ms. Unsoeld?

Ms. **Unsoeld**. Thank you, Mr. Chairman. Mr. Lynn, I want to ask you an unfair question.

Mr. **Lynn**. I will try to give you a fair answer.

Ms. **Unsoeld**. Life is full of choices that are not necessarily satisfactory and Congress is no different from life. Perhaps by the questions that were raised by Mr. Williams and others, you can see that we are trying to avoid having to make this choice.

The ACLU is strongly in support of Federal child care assistance and we have been some years without being able to give birth to it. ACLU also is in the forefront of trying to maintain a clear separation between government and religious bodies and to preserving the principle of nondiscrimination.

Now, if you have to make a choice, additional years of delay or an unsatisfactory constitutional issue here, what would you do?

Mr. **Lynn**. Well, I think this is a case where one can have the cake and eat it, too, because we are not talking about funding here a program that is perfect.

The level of funding that will ever be appropriated under this bill in the foreseeable future is modest, and I think everyone agrees with that. What I would ask the Congress is why, in the midst of a modest commitment, can't we avoid the constitutional problem, help to facilitate the development of public and private sector initiatives in the child care area that are outside of this constitutional problem, and get as much of the job done as we can.

The next part of the issue is, if Congress makes a choice and says, "Well, we'll be a little unconstitutional", you are not the last voice to be heard and the courts will be heard. I do not think there is any doubt that the program envisioned by the Act for Better Child Care would not withstand constitutional scrutiny.

Then, one day, when parents who think they have been helped by the bill wake up, they are going to find the door closed to their children because the Federal district court in X, Y or Z state has determined that this violates the establishment clause.

I think Congress has an independent requirement, always in the Constitution, to make its own constitutional judgments, to act on those judgments. In this case, it can be done within the fiscal confines here without raising these church/state problems. That is what I'd suggest you do, if I were you.

Ms. UNSOELD. Mr. Craft, you look like you want to answer that.

Mr. CRAFT. Oh, I very definitely do.

Ms. UNSOELD. All right.

Mr. CRAFT. I would like to simply add for the record that the ACLU is not the only constitutional authority that Congress should be concerned with. I have thousands of members who are also looking over the ACLU's shoulder. Somebody is going to blink first. It may not just be the ACLU that Congress has to worry about on this issue.

Ms. UNSOELD. I hope that the two of you will continue to work on this so that we don't have to make that choice. I would love to see the language, also, Mr. Lynn, that you have developed.

Mr. LYNN. Absolutely. Absolutely.

Ms. UNSOELD. Thank you, Mr. Chairman.

Chairman HAWKINS. May I again thank the witnesses for their testimony this morning. It has been, I think, very exciting, quite troubling in a way to some of us, but I think you share the dilemma that we have. I certainly appreciate your contribution to the subject.

Mr. LYNN. Thank you.

Mr. CRAFT. Thank you.

Chairman HAWKINS. That concludes the hearing.

[Whereupon, at 12:45 p.m., the subcommittee was adjourned.]

[Additional material submitted for the record follows.]

NAESP

National Association of
Elementary School Principals

TESTIMONY OF
THE NATIONAL ASSOCIATION OF ELEMENTARY SCHOOL PRINCIPALS
BEFORE THE
HOUSE EDUCATION AND LABOR COMMITTEE

Regarding

H.R. 3, The Child Development and Education Act of 1989

by

Edward P. Keller
Deputy Executive Director, NAESP

April 5, 1989

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Testimony of
The National Association of Elementary School Principals
Before the
House Education and Labor Committee
Regarding
H.R. 3, The Child Development and Education Act of 1989

April 5, 1989.

Mr. Chairman and members of the Committee, my name is Edward Keller. I serve as Deputy Executive Director of the National Association of Elementary School Principals, representing over 25,000 elementary and middle school principals. Our Association's basic mission is to serve children, principals, and the principalship.

Our Association is pleased to be here today to offer its analysis and recommendations on H.R. 3, the Child Development and Education Act of 1989. We view this bill as the hope of the future for a comprehensive, quality, affordable child care and early childhood education policy.

In the last Congressional session, over 100 bills offering hope to children and families were introduced. None passed. This deplorable response to our critical national need cannot continue.

A number of prominent Americans have offered Congress their insights on the current condition calling for a federal commitment to helping our children and families.

Excerpting from their statements, we find:

- One out of three parents have difficultly finding good child care. (Harris poll)
- By 1995 there will be just under 15 million preschool children with mothers in the work force. (Hofferth)
- Only 16 percent of children eligible for Head Start are served nationally. (CCSSO)
- In 1985, fewer than 33 percent of four-year-olds whose family income was less than $10,000 were enrolled in a pre-school program. Yet, 67 percent of the four-year-olds whose family earned $35,000 a year or more attended pre-school. (NCPTA)

The data reported by the Committee for Economic Development indicates that:

- In 1985, 66 percent of black children, 70 percent of Hispanic children and 50 percent of white children living in single-parent households lived in poverty.
- 50 percent of all welfare expenses goes to families in which the mother began her parenting as a teenager.
- Up to 70 percent of teen mothers will have a second child within two years of the first.

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As reported by Arnold Hiatt, CEO of Stride Rite Corporation, a recent study showed that fifty percent of unemployed mothers would return to work if quality, affordable child care were available. He further stated that if 10,000 returned, AFDC payments would be reduced by $57 million per year. The High Scope Foundation and others have reported the positive economic impact of high quality early childhood intervention.

The Child Development and Education Act, we believe, has been carefully developed with all of these data in mind. First, the bill calls for a $2.5 billion investment in early childhood intervention services. While even this amount will not fully fund all the identifed needs, it is a good start. It does serve to create a federal commitment to help our nation's children and their families.

Title One boosts support for Head Start, a well-proven success story. In spite of being continually underfunded and without a wraparound child care component, this program has bested the odds and become a lighthouse beacon for children in poverty. Title One of H.R. 3 will help by raising the funding level and by including wraparound child care in the Head Start program.

Title Two offers a quality pre-school program for four-year-olds. This is a very necessary component of any comprehensive approach to early childhood intervention. The requirements of (a) coordination with other public entities, (b) maintenance of a developmentally appropriate curriculum, (c) quality standards, and (d) wraparound child care are all essential ingredients in making this program acceptable and successful.

Because of the need to train both teachers and administrators to carry out fully the purposes of this title, NAESP would urge that Section 8003(d) be revised by amending the title to the word "Training" and adding to the last sentence the words "and/or in the administration of early childhood programs."

In addition to the wraparound child care services contemplated in Titles I and II, Title III proposes a substantial improvement in child care services to infants and toddlers. This title is especially important in making services available to help teenage parents complete their high school education. Again quality, coordination, access, and parental involvement are significant elements of this title, and, in combination, will set the stage for success.

Elementary and middle school principals are concerned about the level of supervision children receive before and after school. Only 22 percent say their schools now offer such care.

Almost two-thirds of the principals are ready to provide before- and after-school care if they are given adequate staff, money and authority, according to the results of an NAESP survey completed last year. Such school-based care results in improved relations with the community and an increased peace of mind that adults feel when children receive adequate care.

Principals who operate child care programs report that their programs operate mainly to meet parental needs (77 percent) and that generally parents pay for in-school childcare (65 percent).

Those principals also recommend such program improvements as better staff training and pay, year-round schedules, longer hours of availability, subsidies for needy families, and more parent involvement.

We are pleased to note that H.R. 3 is directed toward putting many of these recommendations into action and thus offers a solid opportunity to all principals, whether they currently operate a child care program or not, to bring the community and the school closer together through improved child care services.

For the past eight years, Americans were exhorted to "Win one for the Gipper". What victory has there been in the negative effects of slashed social programs? The hard "g" in Gipper collided with the soft "g" in budget and the soft "g" won.

"Win one for the Gypper," though, is hardly an acceptable rallying cry. The much-touted safety net for social programs became instead a sieve through which thousands of children plummeted.

We need to reweave that sieve into a strong, secure safety net that will indeed reassure our nation that Congress cares, that those folks in Washington do understand and will commit themselves to the vigorous support of our children, youth and families.

The Child Development and Education Act signals that vigorous support. We thank Chairman Hawkins for its introduction and urge full consideration and early passage by both Houses.

News

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For Release January 28, 1988

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ALEXANDRIA, Va.--Though 84 percent of 1,175 elementary and middle school principals responding to a recent survey believe that children in their communities need supervision before and after school, only 22 percent say their schools now offer such care.

Virtually two-thirds of the principals are ready to provide before- and after-school care if they are given adequate staff, money, and authority, while 26 percent are reluctant to take on this added responsibility in their school buildings.

The survey was conducted from November through January by the National Association of Elementary School Principals (NAESP). According to Dr. Samuel G. Sava, NAESP executive director, the findings indicate a vast gap between supply and demand for before-school and after-school supervision of children in kindergarten through eighth grade.

"Divorce, two-job families, and births to unwed mothers have sharply altered the home environment on which the schools traditionally relied," Sava says. "Parents need help, and most of our principals are willing to provide it if their communities will give them the tools."

Sava notes that 73 percent of the principals believe that, despite social changes in the family, American parents care as much or even more about their children's education today than did parents of a decade ago.

"In view of the enormous pressures that these societal changes place on our schools, that finding gives parents extra credit in any principal's book," says Sava.

The survey asked principals if they believe public schools should provide before- and after-school child care for students. Nearly two-thirds believed schools should, while 36 percent didn't agree that schools are so obligated.

(more)

Answering why they believed schools should provide child care, these proponents ranked their reasons:

- Children may perform better in school if they aren't left unsupervised for long periods out of school (37 percent).
- School buildings--where youngsters spend most of the day--are the sensible places to keep them (33 percent).
- Other programs are unsatisfactory or nonexistent (23 percent).

Written comments by the principals who believe schools should provide such care included:

- In-school care would address urgent social needs (including changing family structures, demands on working parents, and child safety).
- Such programs would make fuller use of public buildings.
- Adequate care would work to the advantage of at-risk children.
- Child care could improve by drawing upon the professional experience of educators to structure enriched programs.

On the other hand, the 26 percent of surveyed principals who wouldn't provide child care even if they had the resources counter that child care is not the school's responsibility. Though agreeing that children need better care, they believe management problems would outweigh benefits. Many believe in-school care programs should be provided in other community facilities, not in schools.

Principals reluctant to house care programs in their schools commented that their facilities are inadequate now; that child care is the parents' responsibility only; and that inadequate child care is a problem that should be dealt with by the whole community, not only the schools. Some maintain that schools already are overloaded with social responsibilities.

The 22 percent whose schools do house child care programs clearly agree that the peace of mind adults feel when children receive adequate care, plus the improved relations with the community, are the major payoffs. Few principals mention children having fewer in-school difficulties as a result of the extra care, though many had predicted children's schoolwork would improve if they had better care.

Other findings from principals whose schools house child care programs:

- Programs operate mainly to meet parental needs (77 percent).
- Generally, parents foot the bill for in-school child care (65 percent).
- For the most part, programs are offered after school and are recreational

(more)

in nature.

• Though many principals who oppose care programs anticipated troublesome problems, most principals whose schools have programs report no major problems. Programs could be improved, they suggest, with better planning; improved facilities; more space; better staff training and pay; year-round schedules; longer hours for child care each day; subsidies for needy families; and more attention from parents.

Veteran principals repeatedly remark that parents simply don't have the time they used to have. Single parents, dual-career parents, and parents of disadvantaged children rarely can support their children's education as can more prosperous, and "traditional" families.

Many principals took the time to pencil-in remarks next to the question about parental concern, Sava notes. "Their comments reinforce the survey's essential finding: our society and schools need help now in caring for our children."

Sava says that the random, mail-back, nationwide survey of NAESP members, which had a 29 percent return rate, provides a solid profile of school-site child care in this country. Respondents were distributed among urban (23 percent), suburban (38 percent), and rural (39 percent) school districts; the income levels of the majority of students were upper (7 percent), middle (59 percent), and lower (34 percent).

A survey form with return statistics is attached.

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Established in 1921, the National Association of Elementary School Principals is a professional education association serving 25,000 members in the United States, Canada, and overseas.

NAESP Principals' Opinion Survey

The opinions of K-8 principals are important to this association. We believe your views, as the leaders of teaching and learning, are as worthy—even more so—as the constant series of state and national reports and recommendations on schooling. Thus we plan to conduct periodic, short surveys on topics of interest to educators and the general public.

You will be asked to participate in only one survey each year; thus your response is important to give us a valid sample of principals' opinions. Please take a few minutes to fill out this survey; we've designed it so you can respond without consulting files or staff. If a question is not applicable, just skip it.

Before- and After-School Child Care

There is a rising demand for before- and after-school care of school-age children in many American communities. Please give us your opinion by checking one reply to each of the following.

1. Most communities need before- and after-school child care.

988 agree 86.8%
112 disagree 9.8%
37 have no opinion 3.2%

2. Does your community need before- and after-school child care?

695 yes, definitely 59.1% — 59.1
107 no, definitely 9.1% — 25.2
297 yes, with reservations 25.2% — 84.3% —yes
76 no, with reservations 6.4%

3. Does your school now have a child-care program for school-age children?

252 yes 22.1%
891 no 77.9%

4. If your school doesn't have a child-care program, and adequate resources were available, would you provide one?

258 yes, definitely 26.5% — 26.5
135 no, definitely 13.9% — 40.1
390 yes, with reservations 40.1% — 66.6%--yes
117 no, with reservations 12% — 13.9
22 no opinion 2.2% — 12
49 don't need one in this school 5% — 25.9%--no

5. Do you believe public schools should provide before- and after-school care for school-aged children in their buildings?

245 yes, definitely 20.8% — 20.8
246 no, definitely 20.9% — 42.4
498 yes, with reservations 42.4% — 63.2%--yes
176 no, with reservations 14.9% — 20.9
9 no opinion .7% — 14.9 — 35.8%--no

6. If you said yes to question number 5, please rank your reasons below—with #1 being the most important.

#1 rank only:
164 other child-care programs do not exist or are inadequate 22.6%
23 schools are obligated to aid working or absent parents 3.1%
239 school buildings are the logical sites for school age child care 33%
265 in-school performance of children who are left alone too long could improve with adequate care 36.6%
33 other 4.5%

7. If you said no to question number 5, please rank your reasons below with #1 being the most important.

#1 rank only:
103 schools are not obligated to care for children before and after school 23.4%
46 the school's job is education only 10.4%
131 problems associated with such a program (increased responsibility, building maintenance, staffing) would outweigh benefits 29.7%
126 care should be provided in other community facilities, but not in schools 28.6%
34 other 7.7%

8. If your school now has a child-care program for school-age children, please check the ONE or TWO main reasons it was initiated.

(If your school does not have a child-care program, please go to the General Information section.)

228 to meet needs of parents and children 76.[illegible]%
42 to follow community or school system policy [illegible]%
11 to increase enrollment 3.7%
1 to decrease vandalism
15 other 5%

9. Which ONE topic below best describes your school's child-care program?

101 recreation 41%
6 academic enrichment (help with homework, [illegible]
136 combination of above 55.2%
5 other 2%

10. Who pays for this program? (check all applicable)

30 school system 9.9%
9 your school budget 2%
62 community organizations 13.9%
195 parents 64.5%
3 parent organization of the school .9%
23 combination of above 7.6%

11. Please check the ONE or TWO major problems associated with your school's child-care program.

42 inadequate funding 13.3%
39 inadequate staffing 12.3%
34 physical plant and supplies 10.7%
70 building—use flexibility 22.2%
99 no major problem 31.4%
31 other 9.8%

12. Please check the *ONE* or *TWO* major benefits your school realizes from its child-care program.

- 194 children receive adequate before- and after-school care 52.7%
- 141 better relationship with community and parents 38.3%
- 10 increased or stabilize school enrollment 2.7%
- 3 decreased vandalism and delinquency .8%
- 20 children have fewer in-school difficulties because of extra care 5.4%

13. How would you rate your child-care program's success?

- 123 very satisfactory 53.7%
- 92 useful, but needs improvement 40.1%
- 11 marginal 4.8%
- 3 more trouble than it's worth 1.3%

14. What would most improve your school's child-care program?

____

____

____

General Information: not tabulated

How would you rate your *state government's emphasis* on K-6 education?

____ superior ____ adequate ____ inadequate

How would you rate your *governor's personal interest* in support of K-6 education?

____ superior ____ adequate ____ inadequate

If you've had 10 years or more of experience as an educator, how would you rate parents' interest in the education of their children now as compared to 10 years ago?

367 more concerned 35.5% 278 less concerned 26.9%

387 about the same 37.5%

35.5
37.5
73.0% same or more concerned

Comments: ______________________________

Demographics

(please be sure to answer the following)

My school is in the state of ________________

My school district is mostly

- 445 rural 38.6%
- 443 suburban 38.4%
- 264 urban 22.9%

The grade levels at my school are ________________

The income level of the *majority* of students in my school -

- 78 upper 7.1%
- 639 middle 58.4%
- 377 lower 34.4%

Thanks for your comments.

Please fold, stamp, and mail this survey to:

Place
Stamp
Here

National Association of Elementary School Principals
1615 Duke Street
Alexandria, VA 22314-3483
ATTN: Communications

TESTIMONY

on behalf of

Bill Ingram, President
THE CALIFORNIA SCHOOL BOARDS ASSOCIATION

Jeremiah Regan, President
THE NEW JERSEY SCHOOL BOARDS ASSOCIATION

Judith H. Katz, President
NEW YORK STATE SCHOOL BOARDS ASSOCIATION

Byron Black, President
TEXAS ASSOCIATION OF SCHOOL BOARDS

James R. Oglesby, President
NATIONAL SCHOOL BOARDS ASSOCIATION

before the

House Committee on Education and Labor

on

The Child Development and Education Act of 1989

April 27, 1989

Executive Directors:

Davis W. Campbell, California School Boards Association
Octavius T. Reid, Jr., New Jersey School Boards Association
Louis Grumet, New York State School Boards Association
Orbry D. Holden, Texas Association of School Boards
Thomas A. Shannon, National School Boards Association

In a time of fiscal crisis, federal funding priorities must be carefully weighed. Our investment decisions today will determine the health of the nation well into the next century. The most obvious high-yield investment is in the welfare and education of our youth. The best time for that investment, numerous studies have shown us, is in the earliest years of childhood.

The states of California, New Jersey, New York and Texas have much to gain from an expanded federal commitment to early childhood education. Together, our 3,665 school districts educate some 11.5 million children - 28 percent of the total public school enrollment in the United States. An examination of our school population demonstrates that quality early childhood programming should be an essential part of our educational system.

Three of the nation's largest school districts - Houston, Texas; Los Angeles, California and New York, New York - are members of our Associations. Our states also have significant numbers of other major urban districts including Dallas, Texas; Newark, New Jersey; Rochester, New York and San Diego, California. We all share certain commonalities regarding these populations - many of the children we serve are at risk of educational failure. Many of our districts have large numbers of families in poverty and have borne the brunt of several waves of immigration of economically disadvantaged families whose children are not proficient in the English language. There are many reasons why early childhood education makes sense. But surely, the most persuasive rationale for a more committed federal effort is the need to reach these children most at risk of potential educational failure.

The Commission on Economic Development (CED) considers early childhood development programs an outstanding educational investment. Research shows that quality early childhood education can reduce dropout rates, increase college attendance, and reduce the use of welfare and the incidence of crime. Studies of such programs as the Perry Preschool Project in Ypsilanti, Michigan and New York State's Experimental Pre-kindergarten Project, indicate that children with preschool experience are less likely to repeat a grade, to be placed in special education classes, or to become adolescent parents. As adults, they are more likely to be literate, to be employed, and to pursue postsecondary education.

It is estimated that each year's class of dropouts costs $240 billion in lost income and taxes. The Commission on Economic Development estimates that every $1 spent on early prevention and intervention saves $4.75 that would otherwise be spent on remedial education, welfare, and measures to combat crime. Given the terrific costs of not reaching our youngest children, we must encourage investment in early childhood education. Early childhood developmental programs, integrating both child care and education, must be expanded to reach all children.

The Child Development and Education Act or H.R.3 represents a promising combination of federal initiatives that are designed to enhance the quality of life for children; expansion of Head Start, school based early childhood education and infant and toddler child care.

The most long-standing and best known federal commitment to early childhood education is the Head Start program. Begun in 1965 as part of the War on Poverty, Head Start has helped many economically disadvantaged children begin formal schooling with increased achievement. The Head Start experience combines educational, health, nutrition, social and family services. Parent participation must be incorporated into every program. Head Start gives local programs the flexibility to develop various ways to meet the needs of students and their families. Collaboration among agencies and community organizations is encouraged.

Any new initiative that expands the federal role in early childhood education should not lead to a diminution of Head Start. The School Board Association's of California, New Jersey, New York and Texas are therefore pleased that the funding for this bill is specifically tied to the funding of the current Head Start program at it's authorized FY 1990 level.

The Child Development and Education Act of 1989 or H.R. 3 would permit expanded services and activities through the existing Head Start program. These services could include a simple expansion of current services or the expansion of part-day service to full day. Head Start agencies could also extend programs over the summer months.

Early childhood education programs must meet the changing needs of families, adequately serve the growing numbers of children in poverty and enable America to meet the challenges of international competition with a well-educated citizenry.

In order to meet the needs the nation, federal early childhood legislation should have the following priorities:

o Facilitate the Coordination of Services

As the number of women in the work force increases dramatically, the need for early childhood programs which combine child care with developmentally appropriate education also increases. National estimates show that by 1995 two-thirds of all preschool children and three-fourths of school-age children will have mothers in the workforce. With increasing numbers of households where parents or guardians all work outside the home, integrated early childhood education and child care become a necessity. H.R. 3 seeks to expand Head Start programs and programs carried out under The Elementary and Secondary Education Act of 1965. Title II of the bill authorizes grants to expand or establish school-based child care which will "enhance the educational, social, emotional and recreational development of children."

Federal legislation should provide flexibility to allow cooperative arrangements for combined preschool and daycare. Children attending full day programs should stay in the same placement with consistency of staffing whenever possible.

Comprehensive services must be provided, including health, nutrition, family support and involvement. H.R. 3 requires such a comprehensive service delivery system. The legislation requires coordination of health and nutrition services and referrals to health and social services for children enrolled in funded programs.

o Target Economically Disadvantaged Children

Head Start and other current federal initiatives target programs to those children who derive the greatest benefit from early educational support: the economically disadvantaged. Research connects school failure with childhood poverty. High quality programs for preschool-aged, economically disadvantaged children are found to be especially effective.

H.R. 3 expands Head Start services to children whose family income is greater than the poverty line but less than 150% of the lower living standard income level. A mix of children from various income levels is desirable in early childhood programs, but children in families at or below 200% of the federal poverty level should have first priority in placement.

o Require Use of Qualified Personnel

Personnel who provide early childhood services must meet educational standards that recognize the unique skills and knowledge needed to provide social, nutritional, physical, emotional and cognitive nurturance to young children. Research supports the consensus of most educators: Staff with specialized training in early childhood development and education provide the best learning experiences for young children.

The National Association of State Boards of Education Task Force on Early Childhood Education found that many state training and certification requirements are not appropriate to early childhood teaching. Across the nation, state social service and education agencies require varying degrees of preparation for preschool and prekindergarten teachers and supervisors and childcare providers. The Task Force recommends that all early childhood programs be supervised by those with extensive training and experience in early childhood education, while encouraging multiple levels of staffing with progressive levels of training.

H.R. 3 requires that for each group of children in the early childhood development program at least one staff member have training and experience in early childhood, certification in that area if the state has a certification requirement, or have a nationally recognized credential that indicates experience and coursework in the early childhood field.

Pre-service training for additional staff and in-service training for all staff are also important provisions of the bill.

o Ensure Parental Involvement

Head Start has traditionally incorporated parents into its early childhood development programs. H.R. 3 continues that tradition and requires activities to increase parent participation.

Most educators agree that parents who are partners in their children's education greatly increase their children's achievement and promote life-long learning. Even Start, a program recently approved by Congress, will soon begin to disseminate funds for literacy projects that teach both parents and children, preparing parents to be active participants in the education of their children. Federal early childhood programs should encourage home visits, parent participation and consultation, and a variety of avenues of communication between home and early childhood centers or schools.

Concern has been expressed, however, about provisions of **H.R. 3** which require unlimited parental access to facilities. In some instances unlimited access could be detrimental to the proper functioning of the program. Access must be mediated by the needs of the children, though parents should be able to observe and participate in classroom activities with proper building approval.

Recognizing demographic trends and research findings, Congress and state legislatures have made early childhood education and child care significant areas of new legislative activity. Federal proposals, for the most part, have incorporated the best wisdom and experience of the educational community, the needs of families and young children, and the aspirations of communities, states and the nation.

The Child Development and Education Act of 1989 reflects the need for local control, funding flexibility, particularly for ensuring adequate facilities, pre-service and in-service training, and the essential coordination and delivery of related services. Children most in need continue to be the focus of early childhood programs. This federal initiative in early childhood education should be commended and supported by all those who seek a healthy and prosperous nation for all our children.

SERVICE EMPLOYEES
INTERNATIONAL UNION, AFL-CIO, CLC
1313 L STREET N.W. • WASHINGTON, D.C. 20005 • (202) 898-3200

JOHN J. SWEENEY
INTERNATIONAL PRESIDENT

RICHARD W. CORDTZ
INTERNATIONAL SECRETARY-TREASURER

STATEMENT OF

SERVICE EMPLOYEES INTERNATIONAL UNION, AFL-CIO, CLC

BEFORE

THE HONORABLE AUGUSTUS HAWKINS

CHAIR
COMMITTEE ON EDUCATION AND LABOR
U.S. HOUSE OF REPRESENTATIVES

ON

PROPOSED CHILD CARE LEGISLATION IN THE 101st CONGRESS

SUBMITTED BY:

JOHN J. SWEENEY
INTERNATIONAL PRESIDENT
SERVICE EMPLOYEES INTERNATIONAL UNION

I would like to thank Chairman Hawkins and the other members of the Education and Labor Committee for this opportunity to present the views of the Service Employees International Union on a matter of daily concern to working people -- the shortage of quality affordable child care. On behalf of the 850,000 SEIU members, I would like to express appreciation of your efforts to move ahead on the work and family front -- including action on a comprehensive federal child care policy.

SEIU members work in the rapidly growing service industries where low wages and few benefits are becoming the norm. Working Americans, especially those earning moderate incomes, will benefit greatly from a comprehensive child care policy as they struggle to meet the often conflicting demands of workplace and family. We view child care as part of a package of work and family measures -- including parental leave and restoration of the minimum wage -- which will bring greater security and stability to America's working families.

SEIU has lead the way in championing the work and family agenda within the AFL-CIO as well as in state houses and on Capitol Hill. We have negotiated new benefits to help our members cope with the work and family balancing act.

SEIU is also active on the supply-side of the child care equation. We are proud to represent child care workers in five states. In a recent survey of over 400 members at twenty-one centers, we have established a clear and convincing link between the stability and security that only a union agreement provides and the presence of those factors which experts agree are necessary conditions for high-quality care -- low child to staff ratios, low turnover, good pay and benefits, and in-service training and educational opportunities. Quality rises as working conditions and compensation improve.

Powerful social and economic trends underlie the popular demand for action on child care. The dramatic economic changes of recent decades have led to stagnating real living standards. Working families have been saved from financial disaster by the increasing labor force participation of women. Yet American families have been left to cope with these changes on their own. Since President Nixon's veto of national child care legislation in 1971, child care has not received the attention from federal policymakers that it deserves and demands.

To be effective, national child care policy must address the problems that exist -- quality and affordability. Financial assistance must be targeted at low-income families and must be linked to minimum standards ensuring quality child care for all. The Dependent Care Tax Credit returns an average benefit of $372 -- about one-tenth of the typical annual child care bill. Those who need it most -- the working poor -- receive no benefit because they don't earn enough to pay taxes. We must not allow deficit hysteria deter us from making this long overdue investment in our children -- the workforce of tomorrow.

Difficult fiscal straits only make it more urgent that minimum federal standards are enacted to make sure that precious taxpayers' dollars are not wasted on substandard care. Federal action is also needed to end the crazy-quilt pattern of state regulation. For example, in at least one state, a single provider may care for as many as twelve infants while other states set the maximum ratio at three-to-one. Unfortunately, in the wake of the failure by the Reagan administration to implement the federal child care standards through Title XX that were developed during the Carter Administration, many states weakened or eliminated licensing requirements. There is overwhelming public support for federal safety regulation from autos to food and drugs, and the federal government ought to play a similar role in protecting young children.

As is the case with any service, the key to quality is a well-trained and motivated workforce. Unfortunately, current compensation levels in the child care industry send the wrong signal -- motivating teachers and aides to switch careers. In 1987, workers in child care centers averaged $153 per week -- well below the poverty line. In view of this, another statistic from the BLS isn't surprising -- nearly two-thirds of this workforce has been in the field for less than three years (overall only a third of the nation's workforce has a similar length of tenure). Employer-provided in-service training along with training and support programs for family day care providers are needed to guarantee that child care is both a safe and enriching experience for children. But the investment in training will be squandered unless we can raise compensation levels enough to retain the workforce. Child care workers earn two-thirds of what women in other fields with comparable education make.

Our survey of SEIU members who work in child care centers shows what a dramatic difference better conditions make. SEIU members start at an hourly rate that is 36% higher than the national average. Ninety per cent of the SEIU members surveyed have 100% of their individual health premiums paid by their employer. All SEIU workers have health coverage. Nationally, only 54% of child care workers are offered health insurance. In every state surveyed, SEIU members enjoy levels of pre- and in-service training that meet or exceed state requirements. Census Bureau data show that over 40% of child care workers have been on the job less than a year. At SEIU centers, the annual turnover rate is one-half of the national average. Stability in the workforce means that a child is able to develop a strong, consistent relationship with one or two caregivers, rather than adjusting to new care givers every few months.

SEIU is active on the demand side -- our Local Unions have negotiated a wide variety of child care benefits for their members. These examples show how both employer and employee can benefit from effective measures that help balance the work and family equation.

Consider the agreement reached by Service Employees Local 347 and two other unions with the Los Angeles Department of Water & Power. Even though the workforce was less than one-fifth female, the careful start-up survey showed extensive concern with child care problems. The benefit program will cost an estimated $200,000 per year and provides reserved and subsidized slots at local centers as well as special services for sick children. Because the DWP estimated that an annual loss of $1 million from child care-related absenteeism would be eliminated, the program is judged to be a money-saver.

SEIU is equally active on the supply side. In New York, state employee unions, including SEIU, have joined with state government to establish a statewide system of 34 centers serving over 2,000 children. The centers are supported by parents' fees, charged on a sliding scale. They serve children from eight weeks of age and are open from 6:30 a.m. until midnight.

In spite of the progress SEIU locals have made in addressing the child care needs of their members, we believe that the issue reaches far beyond the collective bargaining context. Increasing the availability of quality child care will bring improvement in the daily lives of workers, enabling them to be better workers and better parents.

H.R. 3 squarely addresses the key issues of quality, supply and affordability -- an especially acute problem for low income workers. A key feature of the bill is the comprehensive approach: it builds on the success of Head Start and addresses the acute need for after-school care while putting in place all the basic elements of a national child care policy. The expansion of the successful Head Start program to meet the need of working parents for full-day care -- as H.R. 3 provides -- is long overdue. SEIU shares the concern that Head Start presently serves only one-fifth of children who are eligible and strongly supports measures to tackle this shortcoming.

H.R. 3 incorporates a very important provision of the "Act for Better Child Care Services" (H.R. 30) - strong language on minimum federal standards. The ABC bill outlines the principles for the federal government's role in child care that are a necessary part of any comprehensive federal child care legislation. Common to both bills is the $2.5 billion funding authorization -- this is a bare minimum to begin tackling the problem. Currently, we spend about $300 billion a year on the education of children aged six years and up (combined spending by all levels of government). We spend only a tiny fraction of that amount on the educational development of children under six. I wonder how much of that $300 billion goes to remedy the consequences of deficient early childhood educational experiences.

The results of the High/Scope Perry pre-school project are well-known -- that for every dollar invested in high-quality pre-school education society realizes benefits equal to $4.75 because of improved school performance, reduced delinquency and higher earnings. The federal government does not always have the opportunity to make such a good public investment as is the case with a comprehensive child care policy.

The Service Employees International Union supports speedy action on legislation enacting a comprehensive program for child care in the United States. We must meet the pressing needs of working families, especially those with low and moderate incomes, while ensuring that care has educational and developmental value for the child. To guarantee improvement in both the supply and the quality of child care, the infrastructure provisions and quality standards developed in the ABC bill are a must. Head Start, which serves only a small fraction of eligible children, must receive expanded funding. Action is long overdue.

ASSOCIATION OF LABOR-MANAGEMENT ADMINISTRATORS
AND
CONSULTANTS ON ALCOHOLISM, INC.
4601 N. Fairfax Drive, Suite 1001 • Arlington, Virginia 22203 • (703) 522-6272

April 18, 1989

Representative Augustus S. Hawkins
Chairman
Committee on Education and Labor
U.S. House of Representatives
2181 Rayburn House Office Building
Washington, D.C. 20515

Dear Mr. Chairman:

The Association of Labor-Management Administrators and Consultants on Alcoholism, Inc. (ALMACA) submits the following statement for the record on H.R. 3, the Child Development and Education Act.

ALMACA is a membership organization for nearly 6,000 individuals involved in the Employee Assistance Programs (EAPs). Employee Assistance Practitioners assist with the identification and resolution of personal problems of employees in the workplace. Increasingly, the number of single parents and double income couples are in the labor force. The role of child care and its availability is a major focus and problem for many parents. Adequate, quality and consistent child care services for children for all ages are vital. These services contribute to the attendance and productivity of parents of pre-school and school-age children.

Whereas much attention regarding child care has focused on centers for pre-school children, H.R. 3 adds an essential dimension -- school-age children and school-based services.

ALMACA commends the Chairman for making H.R. 3 a truly comprehensive approach to this important national issue, specifically Title II -- School-Based Child Care and Development. This provision addresses a population that has been largely underserved, creating a "latch-key" generation. These children are on their own until a parent arrives home from work. These unsupervised hours are troubling to many working parents.

President, **Thomas J. Pasco, CEAP**, UAW-Ford National Development and Training Center—Dearborn, Michigan
Vice President (Operations), **Tamara Cagney, CEAP**, Health Matters—Pleasanton, California
Vice President (Administration), **Donald W. Magruder, CEAP**, Anheuser-Busch Companies, Inc.—St. Louis, Missouri
Secretary, **Marcia E. Nagle, CEAP**, Longview Associates, Inc.—Mount Kisco, New York
Treasurer, **Bob R. Challenger, CEAP**, Institute for Human Resources—Tampa, Florida
Immediate Past President, **Gary Atkins, CEAP**, Lockheed Missile and Space Company—Sunnyvale, California
Staff: Executive Director, **Thomas J. Delaney, Jr., CEAP**/Associate Director, **Judith O. Evans**

ALMACA is the Association of Professionals in Employee Assistance Programs

The expanded use of school facilities is a sound approach to the growing child care issues, especially for the school-age population. The supervised care by trained professionals with child development training would greatly enhance the quality of those critical non-school hours. The emphasis on educational, social, emotional and recreational aspects of child care rather than custodial care is strongly endorsed.

Further, in these times of budget constraints, the approach of using existing facilities and of the school's option of contracting the child care services with community providers will go far in creating community involvement in child care and development while assuring that the services will be educationally focused. ALMACA recognizes that the school-based child care is not intended to extend, or replace the regular school academic programs, but that positive experience may encourage the child care participants to improve regular classroom studies and attitudes.

EAP practitioners make continuous use of community services as referral sources. ALMACA strongly supports the provision in the Bill for the coordination and referrals with available health and social service agencies. These linkages will be an invaluable resource to the goals of school-based child care services.

Because consistency of child care is of critical importance to working parents, we note the absence in the Bill of language providing child care in the schools during holidays and other school closings such as the weather. ALMACA believes that these decisions should be left to the local school agency and their policymakers. We would strongly suggest that the policymakers involve local businesses and industries in developing policies on the availability of school-based child care during holidays and closures necessitated due to external, i.e., weather -- closures that may affect not only the schools but also the community.

Please advise me if there is any further information that ALMACA may provide you and the members of the Committee on Education and Labor. We look forward to working with the Committee on the passage and enactment of a comprehensive child care Bill that will respond to the needs of working parents as well as those not currently in the labor force.

Very truly yours,

Thomas J. Delaney

Thomas J. Delaney, Jr., CEAP
Executive Director

TJD:djs

APJ Association for Public Justice
806 15th St. NW • Suite 440
Washington, DC 20005
(202) 737-2110

March 31, 1989

The Honorable Augustus Hawkins
Chairman
Education and Labor Committee
2181 Rayburn H.O.B.
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Hawkins,

I hereby request that the enclosed statement be made part of the record of your hearing on child-care legislation, scheduled for April 5.

Our Association believes that the issue of child care is one of the most important ones to be considered this term in Congress.

Thank you for your consideration of our request.

Sincerely yours,

James W. Skillen

James W. Skillen
Executive Director

JWS/wp
enclosure

APJ Association for Public Justice
806 15th St. NW • Suite 440
Washington, DC 20005
(202) 737-2110

Child Care for the Real World

Testimony submitted by
The Association for Public Justice

for the Record of the
Education and Labor Committee of the
U.S. House of Representatives
as it develops a child-care bill in 1989

April 5, 1989

Contact: James Skillen
737-2110

Child Care for the Real World

Mr. Chairman and members of the Education and Labor Committee, I thank you for this opportunity to offer a few comments about child care, especially in view of the several proposals before you, including H.R. 3 and H.R. 30.

The Association for Public Justice is a public interest organization with members throughout the United States. Child care and education issues are not the only ones that preoccupy us, but they are among the most important ones.

We represent the kinds of people you are dealing with when you set out to produce child-care legislation. We are parents with young children; single parents with young children; two-parent families with both parents working who use child-care services outside our homes; two-parent families where Mom and Dad divide up child-care duties at home while both work outside; two-parent families who care for their children at home with only one parent working outside the home; young couples deciding whether and when to have children; and grandparents who sometimes help to care for their grandchildren--often for extended periods of time.

Most of our members do not live below the poverty line, but we are especially concerned with those among us and those beyond our Association who do live on limited incomes or on little or no income at all.

We are happy to see bills that target poor, working families. Indeed, if families are to be preserved, encouraged, and applauded, then the relationship between earning an income and caring for children has to be strengthened not weakened, upgraded not downgraded.

The real world of child care today is one of increasing poverty among children, of pressing need among many working families, and of many different kinds of family structures and social needs--as represented by the wide diversity among our own members as noted above.

At the same time, however, Mr. Chairman, the real world of child care today is one in which most young children are raised by caring parents at home and with the help of close relatives. Moreover, many parents who are choosing child-care services outside their homes are not in dire economic need, but, to the contrary, are reaping the rewards of a high family income from two wage earners.

The real world of child care today, therefore, presents us with many families who have little or no financial need even though they have child-care needs. On the other side, there are those who have serious financial needs and yet are doing quite well caring for their children; they would be surprised to find out that they need Congress to help them. Then there are those parents who have serious financial needs as well as serious child-care needs. Their needs are rooted in unemployment, low income, poor educational opportunities, and lack of direct support from friends and relatives who do not live close enough to help those in need. Most of these family needs do not arise because of children, though they impact on child-care needs.

In view of this full panorama of the real world, Mr. Chairman, we would like to ask several questions of your committee, in the hopes that you will complete your work with our questions in mind.

1. First of all, will you please look carefully at the full reality of child-care choices in relation to the pressures creating poverty in this country?

For example, while H.R. 3 and H.R. 30 try to direct some funds to the neediest families in our country--families who might benefit from using child-care providers outside their homes--the bills seem to ignore the fact that all such aid will increase the presssure on those families who are not choosing to use outside child-care services. Those who benefit will be those who hire outside services. Why discriminate against families who do not hire such services? Why use the power of government to force some of this world's real families into a choice they may not want to make? Why create pressures on two-parent homes to put both parents to work just so they can keep up with the rising standard of living enjoyed by two-income earning families?

Surely this Committee does not want to increase the distance between rich and poor in this country any further, does it? On the surface, two of the bills before you appear to want to aid the families of the working poor, not hurt them. Why, then, not take all families of the real world into consideration, and shape your final bill so that it does not discriminate against some poor families in favor of others, so that it does not put Congress on the side of the lifestyle choices of some working families and against those of other working families?

2. Second, will this committee shape a bill that is completely honest with the American people about what can and cannot be done financially?

H.R. 3 and H.R. 30, for example, read as if they will be able to make a serious dent in the child-care needs of American citizens. But every study we've seen indicates that the amount of money Congress proposes to appropriate for this purpose will meet only a very small percentage of the need of those who would be eligible?

That is not legislation for the real world. It is legislation designed to express congressional feelings and good intentions. Sending that kind of symbolic signal to the American people without dealing with the real world will, we fear, only increase popular disrespect for government in general and for Congress in particular.

Most of us have become tired of hearing that Congress is passing another law to meet our needs, because we know by now that only a small amount of benefit might reach us. We know that the benefit will be available only if we are willing to fill out all the complicated forms, endure the bureaucratic red tape, and conform our choices to the rules Congress sets up. And even then, the benefit we receive might be very small indeed.

Why not concentrate your legislation in such a way that its obvious success for a few of the most needy families will prove the viability of federal funding for a particular kind of need? Why not tell the American people frankly that adequate funding for the child-care needs of those who would be eligible under the terms of these bills would cost billions of dollars more than you can ever expect to allocate to meet that need? Then design a bill to meet the real-world.

3. In the third place, will your committee design a bill that does justice to the actual reality of parents making choices in the complicated world of today's multi-institutional society?

H.R. 3 and H.R. 30, for example, read as if a particular "need" (namely, costly child care outside the home) can be isolated as an independent problem for Congress to "solve" by means of a service delivered through a highly bureaucratic system of rules and regulations with a relatively small amount of money.

That's not the real world. That's not reality. State agencies, local advisory councils, state advisory committees, licensing authorities, and countless other instruments of democratic debate and bureaucratic regulation do not provide child care. Millions of dollars will be spent, according to these bills, not on child care, but on more government. Our Association is not against government. We believe in regulation in the public interest and for the public health. But government cannot isolate all problems directly in ways that make sense or that do justice to the reality of multiple institutional responsibilities.

In the case of child care, parental responsibility needs to be taken seriously in its full social context. The low incomes of poor, working families need to be taken into account. Dozens of different kinds of child-care providers from which some parents will select services ought to be recognized by public policy. There are many different choices your committee can make in shaping child-care legislation that would, for example, seek to increase dependency allowances for poor, working families without needing to create a new bureaucratic process for child care.

4. Fourth, can your committee produce a bill that really addresses inequities among American families?

We recognize that a wide variety of discrepancies exist across the country in the ways that all kinds of people are treated, particularly racial minorities and the poor. Insofar as those discrepancies represent genuine injustice, they ought to be hit head-on. But the means of seeking equity should be "real world" means, not game-playing means.

The effect of at least some of the child-care proposals before you will not be to increase equity and balance across the country. Rather, it will be to federalize and bureaucratize small segments of society under the control of financially puny laws. If the historical record of past legislation is any guide, many, perhaps most eligible Americans will either miss out on any significant benefits or refuse to submit to all the conditions laid down.

Many poor people become as burdened by bureaucracy as rich people do. They are not liberated by it but enslaved. Many child-care providers in poor areas will simply close up rather than figure out how to meet all the regulations. The immediate consequence of H.R. 3 or H.R. 30 is more likely to be the reduction of available child care services, not an increase or improved quality in those services. Rather than seeing child care (both inside and outside our homes) grow into an ever more fruitful service for the well-being of all American families, we may see a minority of poor, working parents become caught in the web of underfunded government programs as they sink into greater poverty while most Americans go on their way freely making a wide variety of child-care choices outside the vast array of government regulations.

5. Finally, Mr. Chairman, will your committee's bill recognize the validity of the choices that all parents make about the care of their children, whether inside or outside of "religious" institutons?

Rather than acting as if Congress and the states are responsible for caring for children within an elaborate network of "secular" regulations, can't Congress simply act to provide encouragement to needy families so they can make their own choices? Why can't Congress back up parental choice rather than look for ways to make those choices for parents? Why should the single working parent who wants to put her child in St. Mary's day-care center be discriminated against? Why is her choice less valid and less acceptable to Congress than the choice of the parent who selects the "secular" day-care center next door to St. Mary's?

The real world is the world of many choices by many parents for a host of different reasons. If Congress tries to mark off a territory of pure "secularity" in which to dispense its blessings while it discriminates against those parents who want to enter "religious" territory for the care of their children, Congress puts itself on the side of bigotry and a forced sacred/secular dualism. That may be the world in which some Americans live, and they should not suffer discrimination for it. But many Americans do not want to live divided lives.

Many Jews, Christians, and Muslims, not to speak of people with other religions, want to raise their children with an integrated approach to life so that their faith and life are not separated. Why in the world should Congress imagine that it has the authority to discriminate against such families--many of whom are offering real hope to their children? Who gave Congress the authority to decide what is religious and what is secular and then to assume mastery over the secular, even to the point of telling parents how to raise their children?

Mr. Chairman, and members of the Committee, what we need today is child-care legislation that faces up to reality--to the full, real-world reality of a multiplicity of family structures, the reality of a financially limited Congress, the reality of children living in poverty, the reality of poor families who need real assistance not mere well-wishing from Congress, and the reality of a religious and secular diversity that is endangered rather than liberated by a Congress that imagines it can care for children under a general "secular" rule.

We encourage you, committee members, to look for ways to assist our families in the choices we make about caring for our children. But don't play games with us. Don't try to make our choices for us. Don't bless those whose choices you approve and discriminate against those of us who want to care for our children at home or in "religious" child-care centers. Deal squarely and fairly with all of America's families, especially with those in poverty. Please try to do justice to the real world.

Thank you, Mr. Chairman and members of the committee.

* * * * *

James W. Skillen
Executive Director

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EVANGELICALS

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PREPARED STATEMENT FOR THE RECORD

of

ROBERT P. DUGAN, JR.

DIRECTOR, OFFICE OF PUBLIC AFFAIRS

NATIONAL ASSOCIATION OF EVANGELICALS

on

THE FEDERAL ROLE IN CHILD CARE

submitted to the

EDUCATION AND LABOR COMMITTEE

HOUSE OF REPRESENTATIVES

April 5, 1989

Mr. Chairman and Members of the Committee:

On behalf of the National Association of Evangelicals (NAE) I want to express our grave concerns about some of the legislative proposals relating to the federal role in child care. The NAE is an association of some 50,000 member churches from 78 denominations. We serve a constituency of 15 million through commissions and affiliates such as World Relief, and have been a voice in Washington for evangelicals since 1943 through our Office of Public Affairs.

The NAE has an official position on child care. At its annual convention last month, NAE adopted a resolution reading in part as follows:

> Christians understand that children need a close, loving and sustained relationship with their parents. The best providers of child care are loving parents for whom the care of their children in the home is the most important career. Nonetheless, child care outside the home has become a way of life for many American families. As a result, pressure is growing for the federal government and other governmental agencies to support institutionalized child-care services for working mothers. However, we see a serious problem. Governmental involvement in the field of child care has the potential to undermine the nurturing of children while appearing to solve the child-care problem.
>
> Believing that parents have the prime, God-given responsibility for child care, the National Association of Evangelicals (NAE) calls upon the Christian community to support those governmental measures that embody the following principles:
>
> 1. The federal government and other governmental agencies should leave to parents the choice of how to care for their children -- to care for them at home, to entrust them to family or friends, or make any other arrangements they believe appropriate. Parents, not government, should decide what is best for their children.
> 2. The federal government and other governmental agencies should concentrate any child-care assistance in the form of tax credits to lower-income families with younger children, not grants to providers of child-care services. Tax credits should not discriminate against women who choose to work in the home.
> 3. The federal government and other governmental agencies should not establish credentials or guidelines for the provision of child care that

> would favor secularized child care. Parents who believe in religiously-oriented care for their children should not suffer discrimination.

These principles clearly imply opposition to the Act for Better Child Care and its variants, and conversely imply support for a tax credit approach upholding parental choice.

Since the ABC bill provides only for child care outside the home, it discriminates against the parental choice, often made at some sacrifice, for a parent to care for a child at home. Moreover, the ABC bill contemplates regulated and licensed facilities and personnel, and subjects the choice of informal day care with grandmothers, relatives, close friends or neighbors to an unnecessary and burdensome formal and bureaucratic process.

A tax credit for lower income families with younger children is an approach which protects parental choice in child care arrangements, and preserves as well the rights of parents who want their children in a child care center with a religous environment. Moreover, adverse treatment of the family in the present Internal Revenue Code contributes to the economic plight of many lower income families. A tax credit approach would partially restore to lower income families tax benefits previously enjoyed by all families. For these reasons, it is the better solution to the child care problem.

The National Association of Evangelicals believes the best approach to rectifying present tax injustices to the family is legislation along the lines of the forthcoming Holloway-Schulze bill. The ABC approach coupled with the current tax code would only perpetuate present injustices. We can only characterize as reprehensible any tax code which denies tax benefits to low income, single earner traditional families with small children while granting them to two earner families with double the income. Accordingly, we support legislation which would provide tax credits for pre-school dependents, whether or not the parents choose to pay for child care. Of course, parents always "pay" for child care, either in the form of cash payment to others or, if a parent remains at home, in the form of income forgone.

The ABC concept is particularly objectionable because it extends financial benefits to secular child care, but denies the same benefits to church based, religiously oriented child care. Considering that about one-third of institutionalized child care is church affiliated, Congress should avoid enacting legislation which would discriminate against parents who want religiously oriented care for their children. This secularizing of day care is thought by some to be a constitutional imperative, though that view subordinates religion to irreligion. Needless to say, religious day care centers that want to preserve their religious distinctive will find it difficult to compete with federally subsidized child care centers.

We see no justification for discriminating against parents who take Scripture seriously in raising their children, and for whom strictly secular child care is woefully inadequate. Such discrimination against parents with religious convictions who entrust their children to church-based child care seems especially unseemly in a nation whose very motto is "In God We Trust." In any event, legislation incorporating tax credits can easily be structured to avoid any ostensible constitutional problems.

To sum up:

o Any bill which restricts parental choice to licensed professional care providers, thus excluding trusted relatives, friends, or neighbors, cannot be considered a pro-family bill

o Any bill which provides benefits for two-income families, and denies them to parents who make do with much lower income to care for children at home, cannot be considered a pro-family bill.

o Any bill which provides benefits for patrons of commercial day care centers and denies them to parents who for religious conviction choose day care where religious and moral training is part of the service, cannot be considered a pro-family bill.

BAPTIST JOINT COMMITTEE ON PUBLIC AFFAIRS
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OLIVER S. THOMAS
GENERAL COUNSEL

TESTIMONY OF THE
BAPTIST JOINT COMMITTEE ON PUBLIC AFFAIRS

on
THE ACT FOR BETTER CHILD CARE SERVICES (H.R.30)
and
THE CHILD DEVELOPMENT AND EDUCATION ACT OF 1989 (H.R.3)

to the
COMMITTEE ON EDUCATION AND LABOR
UNITED STATES HOUSE OF REPRESENTATIVES

April 14, 1989

The Baptist Joint Committee on Public Affairs is composed of representatives from eight national cooperating Baptist conventions and conferences in the United States. They are: American Baptist Churches in the U.S.A.; Baptist General Conference; National Baptist Convention of America; National Baptist Convention, U.S.A., Inc.; North American Baptist Conference; Progressive National Baptist Convention, Inc.; Seventh Day Baptist General Conference; and Southern Baptist Convention. These groups have a current membership of nearly 30 million. Because of the congregational autonomy of individual Baptist churches, however, the Baptist Joint Committee does not purport to speak for all Baptists.

Through a concerted witness in public affairs, the Baptist Joint Committee (hereinafter BJC) seeks to give corporate and visible expression to religious liberty for all people, the separation of church and state as the institutional guarantor of

AMERICAN BAPTIST CHURCHES IN THE U.S.A.
NATIONAL BAPTIST CONVENTION OF AMERICA
PROGRESSIVE NATIONAL BAPTIST CONVENTION, INC.
BAPTIST FEDERATION OF CANADA
NATIONAL BAPTIST CONVENTION, U.S.A.
SEVENTH DAY BAPTIST GENERAL CONFERENCE
BAPTIST GENERAL CONFERENCE
NORTH AMERICAN BAPTIST CONFERENCE
SOUTHERN BAPTIST CONVENTION

that liberty, and the relevance of Christian concerns to public life. It is the position of the BJC that both H.R.30 and H.R.3 have signigicant implications for church-state separation and, therefore, for religious liberty. Because child care in general is not within the program assignment of the BJC, we will limit our comments to the substantial church-state questions raised by these bills.

A. The Act for Better Child Care Services (H.R.30)

The unique combination of education and social welfare services presented by child care has caused uncertainty in the Congress as to whether religious providers can receive grants and contracts without violating the First Amendment. Until recently, the Supreme Court had given little guidance on the issue, but the 1988 decision of Bowen v. Kendrick, ____ U.S. ____, 108 S.Ct. 2562, addressed a hybrid program of education and social welfare much like child care. In fact, one of the services funded under the Adolescent Family Life Act at issue in Kendrick was child care. Also included were counseling, pregnancy testing, prenatal care, transportation, and other social welfare services.

The Court's opinion, written by the Chief Justice, distinguished between "pervasively sectarian" institutions (e.g., churches, synagogues, and parochial schools) and those institutions that are merely religiously affiliated (e.g., colleges, universities, community centers, and church charities) in determining whether the program as applied would be constitutionally infirm. While the religiously affiliated institutions were deemed eligible to participate on an equal basis with their nonsectarian counterparts, the Court at three separate points in the opinion indicated that pervasively sectarian institutions would be disqualified from participating.

A broad interpretation of Kendrick suggests that churches and other pervasively sectarian institutions are disqualified altogether from receiving federal grants and/or contracts. It is even more likely that this view would prevail when the activity to be funded includes an educational component, as does child care.

A narrow interpretation suggests that it is possible for pervasively sectarian institutions to participate in such programs as long as adequate safeguards are included to prevent (1) a primary effect that advances or inhibits religion, and (2) excessive entanglement between church and state. See Lemon v. Kurtzman, 403 U.S. 602 (1971). A mere prohibition against sectarian purposes and activities is an insufficient constitutional safeguard, as such a provision also was included in the Adolescent Family Life Act.

H.R.30 would appear to require at least four additions in order to pass constitutional muster -- and even then the problems associated with providing grants and contracts to pervasively sectarian institutions may be insurmountable. The four required additions are:

(1) An absolute prohibition against discrimination on the basis of religion in hiring child care workers. Absent such a prohibition, the provision forbidding sectarian purposes

and activities is rendered unenforceable. Any serious attempt to monitor church child care programs to ensure that public funds will not be used to advance religion almost certainly would run afoul of the First Amendment's injunction against excessive entanglement between government and religion. Only if the recipient organization surrenders control over the religious beliefs of its child care staff does the risk of inculcation become minimal.

(2) A separate system of accounting for all funds received through government grants or contracts. Comingling federal tax dollars with the general funds of the church again runs afoul of the constitutional prohibition against excessive entanglement between government and religion. The requirement of a separate corporation to receive these funds (as HUD requires for §202 housing and its many programs for sheltering the homeless) may be the best approach to this aspect of the problem.

(3) A prohibition against capital improvements to properties owned by pervasively sectarian institutions. We are aware of no federal court decision upholding the use of government funds to improve buildings that are used for both secular and sectarian activities.

(4) A requirement that a separate teaching staff be employed in any before- or after-school program at a parochial school. The Community Education program at issue in Grand Rapids v. Ball, 473 U.S. 373 (1985), utilized parochial school teachers in an after school program of purely secular

instruction. By a vote of 7-2 (Justice O'Connor concurring), the Court found that the program had the impermissible effect of advancing religion. (One also might interpret Grand Rapids, supra, and Aguilar v. Felton, 473 U.S. 402 (1985), as requiring any child care services offered to parochial school students to be provided off campus.)

B. The Child Development and Education Act of 1989 (H.R.3)

Although a significant improvement over H.R.30, H.R.3 suffers from similar church-state maladies. In order to protect the bill from constitutional challenge, the BJC again would suggest the following:

(1) Report language that makes clear that Head Start's anti-discrimination provision contained in 42 U.S.C. § 9849S will continue to be interpreted as prohibiting religious discrimination in employment.

(2) A separate system of accounting for all funds received through government grants or contracts.

(3) A prohibition against capital improvements to properties owned by pervasively sectarian institutions.

(4) A requirement that a separate teaching staff be employed in any before- or after-school program at a parochial school.

C. Public Policy

The BJC questions the validity of any federal child care program that provides grants and contracts to pervasively sectarian institutions. In addition to containing potentially insurmountable constitutional problems, such an approach seems to be extraordinarily poor public policy. Congress, understandably, may wish to assist parents whose children, by choice or necessity, will attend church child care centers; but government subsidies to those centers are not the answer. To the contrary, churches will be enticed into "secularizing" their child care programs and submitting to significant governmental regulation in order to serve the poor more effectively. The drawbacks of this approach were recognized by our largest member denomination, the Southern Baptist Convention, in its 1988 Resolution on Institutional Childcare:

> Be it . . . RESOLVED, That we urge Southern Baptist churches to conduct their childcare programs as ministries of the local church or through cooperation among churches, without financing from the federal government; and
>
> Be it further RESOLVED, That we urge that any program of childcare include adequate safeguards to maintain the separation of church and state; and
>
> Be it finally RESOLVED, That Southern Baptists should become informed about the details of any proposed legislation which might promise financial support for [church] childcare services, being aware that such subsidies are unwise and could hinder institutions from having a distinctive Christian witness.

A far better approach would be to limit grants and contracts to nonsectarian institutions and to provide whatever assistance goes to families who utilize religious providers through the tax code. Obviously, any tax break could not, and should not, be limited to these families but would be available to all families who purchase nonsubsidized care -- whether sectarian or nonsectarian, family or center based. Another option would be to provide tax benefits to all families with preschool-age children regardless of whether they purchase child care services. These benefits would not be available, of course, to families utilizing subsidized child care.

D. Conclusion

If Congress insists upon providing grants and contracts to pervasively sectarian institutions, it should do so cognizant of the risks involved. At a minimum, the constitutional safeguards set forth in parts A and B should be enacted and maintained.

Respectfully submitted,

Oliver S. Thomas

Oliver S. Thomas
General Counsel

THE
CHRISTIAN LIFE
COMMISSION
OF THE SOUTHERN BAPTIST CONVENTION

Richard D. Land, D.Phil.
Executive Director

The Honorable Augustus F. Hawkins
Chairman, Committee on Education and Labor
2181 Rayburn House Office Building
Washington, D.C. 20515

Dear Mr. Hawkins:

Enclosed please find a copy of written testimony which I wish to submit for inclusion in the record of the Committee on Education and Labor hearings related to child care legislation.

I deeply regret that organizations such as the one I represent which have significant concerns about child care legislation were not included in the hearings.

Sincerely yours,

Richard D. Land

RDL:mm
Enclosure

901 COMMERCE, SUITE 550 • NASHVILLE, TENNESSEE 37203 • (615) 244-2495
ORGANIZED 1913

Written Testimony

Dr. Richard D. Land
Executive Director
Christian Life Commission
Southern Baptist Convention

April 5, 1989

Education and Labor Committee
House of Representatives

My name is Richard D. Land, Executive Director of the Christian Life Commission of the Southern Baptist Convention. The Southern Baptist Convention is the largest Protestant denomination in the United States. It is composed of approximately 37,000 cooperating churches which have about 14.8 million members. The Christian Life Commission is the agency of the Convention charged with the responsibility of expressing to politicial leaders of our nation particular viewpoints embraced by Southern Baptists.

The emergence of the child care debate at the national level in the last two years is an encouraging development. It is time to acknowledge that America is selectively unkind to many of its children.

- The number of America's children who live in poverty is a national scandal. Approximately one child in five in America is a member of a family living in poverty.
- The percent of America's children who live in single-parent homes is tragic. Over 6 million families with children were headed by a single parent. About 90 percent of these households are headed by single females, who have a median annual income near $14,000.

Our nation needs to do more for its children.

It is also apparent that there is great diversity among the proposals to address the needs of America's children. This is obviously true with regard to the issue of child care.

The constituency which I serve expresses itself on moral and social issues through resolutions adopted at annual meetings of the Southern Baptist Convention. Our 1988 Convention adopted a resolution on child care legislation. While we have had considerable diversity within our midst on many issues in recent years, this resolution was adopted without any apparent opposition being expressed.

Our perspective on child care proposals consists of three criteria for evaluation. It is not a proposal as such, but criteria for evaluating proposals. These criteria are as follows:

- Does the proposal emphasize a tax incentive approach to the problem?
- Does the proposal emphasize state and local as opposed to federal regulation?
- Does the proposal target the benefits to those demonstrably in need of new assistance?

I shall elaborate on each of the three criteria.

Does the proposal emphasize a tax incentive approach to the problem?

The child care issue is a social issue, but it is, first and foremost, a family issue. The most meaningful federal role in dealing with the need for child care is to enable the families of America to care for their own.

There is a nervousness among many of America's families about social influences upon our children. Many of our constituents are among this number. Our society is one with regretable levels of abuse, violence and addiction.

One way that many parents choose to prepare their children to deal with the complexities of growing up is to provide home-based child care. These parents believe that the development of values in early childhood will provide a more stable personality as the child matures and eventually enters the public domain of education.

I would not argue that it should be a social policy to dissuade parents to remain out of the work force in order to provide home-based child care. But our social policies, and therefore our tax structures, should make the option of home-based child care as realistic as possible.

About two-thirds of mothers between 18 and 44 years of age work outside the home. More than half of all women with children younger than six are in the work force, with that number projected to grow to about two-thirds by the mid-1990s. Approximately 50 percent of mothers with children under age one work outside the home.

So there is little likelihood that mothers are going to suddenly abandon the work force and remain at home to provide child care. But, in looking at the child care needs of mothers who, for a variety of reason choose to work outside the home, we should likewise seek to make possible the effective choice of a mother to remain out of the labor force and provide home-based child care.

At present, about 40 percent of child care for children under five is provided by relatives. If modifications and expansions of tax incentives can provide an economic base for even more child care to be provided within the family context for those who choose that form of child care, two positive accomplishments would result: (a) Maximum flexibility would be provided in the most direct way possible and without any regulatory system being required, and (b) some of the burden of seeking new child care services would be alleviated.

Additional tax incentives can, in fact, provide the option for home-based child care. Parents pay about $3,000 a year per child for child care. If those children are in "high-quality child care" centers, the costs are much higher. The Bush Center of Child Development at Yale has estimated that high quality care for infants would be about $7,800 and for toddlers about $6,500.

With the median salary for full-time working women at about $16,200, even modest increases in tax incentives for home-based child care can be adequate to provide the opportunity of a meaningful choice.

Does the proposal emphasize state and local as opposed to federal regulation? To borrow a concept from jurisprudence, does the issue present a federal question?

Child care is, without question, an important issue. The regulation of child care is an essential function which must be performed. America's children are too precious to entrust them to systems of care which are unregulated.

The regulation of child care is an activity which is best conducted by state and local authorities. These levels of authority, by their proximity and broad responsibility, are best situated both to provide oversight and to be responsive related to child care needs.

State regulation related to child care is going to occur. To the extent that any federal regulatory role is developed in the area of child care, a dual system of state and federal regulation will exist. Of course, there are many areas of social life which have some element of dual regulation involved. This is true, for example, of issues involved in interstate commerce.

An important question to be answered is, what necessary federal queston or role is involved with child care that justifies a federal system of regulation? I would argue that there is none.

There can be a federal role which does not require federal regulation. That can be a role of expanding the availability of child care services in places where there is a demonstrated need. Financial support for the expansion of these services can be accomplished by channeling necessary funds through existing regulatory systems. This expediting, enabling role can be accomplished through a system of state regulation with greater efficiency than with the creation of an addition to the federal bureaucracy.

It would seem that the burden of proof should be on those contending for a federal system of regulation to demonstrate that a particular federal question, a particular federal need, justifies this new step.

This is especially true since a federal role of funding the development of new child care services could be handled by utilizing a block grant approach.

Does the proposal target the benefits to those demonstrably in need of new assistance?

One of the criticisms offered of various child care proposals is the claim that they will dramatically expand the cost of a new federal program.

If, for example, the proposal provides benefits in the form of new chld care services for those with 115 percent of median family income for a state, a family in New Jersey earning $46,000 would qualify for federally subsidized child care. Under such a program, the benefits are not targeted toward those more economically needy families in our society.

Another consequence of such an approach, if not tied to a tax incentive approach to child care, would be to discriminate against those who choose homebased child care. Envision, for the purposes of argument, a new program of federally subsidized child care, enacted without a comparable emphasis on tax incentives. The hypothetical family from New Jersey, earning $46,000, would qualify for feerally subsidized child care. Another family could have the same level income, based on the husband's salary and a mother who has chosen to provide child care within the home rather than to work. The net result would be to support the federally subsidized program for the first family with the taxes of the second family. Such an approach would penalize financially those families who choose to provide home-based child care.

If a new program is, in fact, established, in order to keep the total pricetag commensurate with our ability to fund the program, the program must be more precisely targeted for those families with income levels near or below the family poverty level.

SOUTHERN BAPTIST CONVENTION

San Antonio, Texas

June 14-16, 1988

RESOLUTION ON INSTITUTIONAL CHILDCARE

WHEREAS, The issue of institutional childcare in our society is being widely debated and numerous proposals have been set forth in bills pending in Congress; and

WHEREAS, Some tax subsidy proposals for childcare discriminate against families who choose home childcare by taxing all families to subsidize government-approved day care facilities; and

WHEREAS, Some of the legislation proposed would tend to benefit two-wage earner families, who generally have a higher income level than one-wage earner families; and

WHEREAS, Some of these proposals involve sensitive matters concerning church-state relations, specifically the availability of federal funds for childcare institutions which are sponsored by churches; and

WHEREAS, Part of the debate revolves around the appropriate federal role in stimulating growth in the availability of institutional childcare services.

Therefore, be it RESOLVED, That we, the messengers of the Southern Baptist Convention, meeting in San Antonio, Texas, June 14-16, 1988, affirm that the principal responsibility of childcare is a family responsibility; and

Be it further RESOLVED, That we express our concern about the need for childcare services in those regions where such services may not be available in adequate supply, especially for parents living in poverty, many of whom are single parents; and

Be it further RESOLVED, That we express our belief that institutional childcare is most adequately regulated by local and state government as opposed to federal government; and

Be it further RESOLVED, That we express our conviction that Congress should explore alternatives such as tax incentives instead of proposing a new federal system with a regulatory role for the federal government; and

Be it further RESOLVED, That we urge Southern Baptist churches to conduct their childcare programs as ministries of the local church or through cooperation among churches, without financing from the federal government; and

Be it further RESOLVED, That we urge that any program of childcare include adequate safeguards to maintain the separation of church and state; and

Be it finally RESOLVED, That Southern Baptists should become informed about the details of any proposed legislation which might promise financial support for childcare services, being aware that such subsidies are unwise and could hinder institutions from having a distinctive Christian witness.

Adopted by the Southern Baptist Convention
June 14-16, 1988, San Antonio, Texas

Harold C. Bennett

Harold C. Bennett, President and Treasurer
Executive Committee of the Southern Baptist Convention

Americans United for Separation of Church and State
Your voice in the battle to preserve religious liberty

Testimony of

Americans United for Separation of Church and State

Submitted by Dr. Robert L. Maddox
Executive Director

on

H.R. 3, The Child Development and Education Act of 1989

and Other Child Care Legislation

to

The House Committee on Education and Labor
April 21, 1989

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Dear Chairman Hawkins and Members of the Committee:

The following are comments by Americans United for Separation of Church and State on H.R. 3, The Child Development and Education Act of 1989 as well as analyses of The Act for Better Child Care Services.

Americans United is a 41 year old organization dedicated solely to the preservation of the religious liberty and its First Amendment corollary, separation of church and state. We represent through our membership individuals of conservative and liberal political persuasions as well as the full spectrum of religious faiths and nonbelievers who are concerned with the preservation of religious freedom.

Our testimony is similar to the comments we submitted to you earlier in the year on H.R. 3. Two analyses of the ABC Bill that we prepared last year are also enclosed. The concerns expressed in the analyses of last year's bill apply to the current legislation since the only appreciable difference in the ABC Bill for Americans United is the new church-state language passed in the Senate Labor and Human Resources Committee mark-up.

The new language does not resolve the on-going church-state problems. In fact, the Committee has succeeded in making the bill even more unconstitutional.

For instance, under section 20(b), if a child care center receives 80 percent or more of its funding from public sources, it could not discriminate in admissions or employment on the basis of religion. The threshold of 80 percent is absurd. Whether it receives one dollar or 80 percent of its funding from government, a church-run child care center should not be permitted to discriminate in any way. If that center receives as much as 80 percent of its funding from tax dollars, it is essentially a government agency.

If a center receives less than 80 percent of its funding from public sources, it still should not be able to discriminate on the basis of religion in employment. Yet the regulations would permit a church operating a child care center to show preference for a prospective employee who would already be participating on a regular basis in other activities of the church. Consequently, the church could choose whichever church member or current church employee it wishes over that of an outsider who would not be a member of the church or even of the denomination. This provision destroys any meaningful attempt to avoid employment discrimination in this Act.

The new language would also allow a church-run child care center to discriminate in admissions for those slots not funded by public money. In other words, if a church operated a center and accepted government funding for five slots, it could not discriminate in admissions in accepting those five children into its program. But it would be free to discriminate in any way it chooses in deciding who it will select for the remaining slots available.

Tax dollars intended to subsidize services for a specified number of children would in fact support the entire program, not just designated children. These funds could not be separated from the support of the total program. Not only would these subsidies free up monies that the church could use for other purposes, but they would also give tacit government approval of the discriminatory policies the church uses in selecting other children to attend the center.

This language makes a mockery of any attempt to avoid government support of discrimination and violates the spirit of the Civil Rights Restoration Act, which states that an institution receiving funding for a portion of its facility cannot discriminate in any part of that operation.

The ABC Bill would create a system of certificates or vouchers that parents could use to place their children in church-run child care centers. Such vouchers are the same as grants of federal dollars, which the Supreme Court has ruled unconstitutional in past decisions. The only difference between this form of aid to churches is that the parent would be the conduit of the funds rather than giving the funds directly to the church as a grant. We believe the Court would declare such a provision unconstitutional.

These, however, are not the only problems with the language. One of the major problems that continues to be ignored in this debate is that the provisions in sections 19 and 20 of the ABC Bill do not resolve the entanglement problems in the legislation. There is no constitutionally sound way a state can monitor child care centers for church-state violations. The very act of monitoring creates an entanglement between government and the participating churches, an evil against which the Establishment Clause of the First Amendment was intended to protect. No amount of nondiscrimination language will resolve this problem or make this act constitutional.

Religious education is a crucial component of church-run child care. Evangelization through this educational component is nearly always the primary reason why churches operate child care centers. As a pastor of the Southern Baptist Convention, I understand that fact. An example of this recently came to my attention when I was in San Antonio, Texas to start a new Americans United chapter in that city.

We were to hold our first chapter meeting in Trinity Baptist Church in San Antonio, a large congregation of approximately 7,000 members affiliated with the Southern Baptist Convention. As preparation for the meeting, I visited the church in the afternoon to set up the room. I entered the educational wing of the church, which extends for half a city block. On weekdays the educational wing becomes the church's child care center.

As I walked down the hall, I saw room after room containing four or five cribs. At least two child care workers per room took care of the infants in those rooms.

As I walked further down the hall, I saw a room on the right that contained three sets of washers and dryers. On the left was a room with a full kitchen.

The next part of the wing was the toddler section. I noticed it was "nap time" as I walked through the hall. As I walked past each of the rooms, I saw five or six sleeping children with two child care workers in each room with them.

This was a state of the art child care center. The rooms were immaculate. The stark white walls were freshly painted and free of the usual scuff marks that one sees in any building where there is activity. The cribs and all the equipment, even to the mats that the toddlers slept on during their naps, were state of the art. The quality of this center far exceeds any state or federal government standards.

As I left the church that afternoon, I noticed outside the large numbers of elderly who were also leaving, having attended a program or club at the church that afternoon. What I know from my own experiences in churches and what I saw at Trinity Baptist is that these people's lives are intertwined in the church. They probably come to church nearly every day for social reasons in addition to church services on Sunday.

But what was most apparent as I drove away that afternoon was that Trinity Baptist serves all age levels, from infants to teens with their after school care programs, to adults, to the elderly. The church is an important focus in its members lives. The services they offer are an important part of the church's mission not only as social outreach but to evangelize and draw people from the community into the church.

That was clearly the primary purpose of this day care center. It is likely no one in Trinity Baptist would refute this fact. It is even more likely that even though the fees that parents must pay to place their children into Trinity's child care center probably do not cover operating costs, the church would never accept tax dollars to fund this operation.

The Supreme Court has said in repeated parochiaid decisions that "the parochial school is an integral part of the religious mission of the church." In fact many churches that operate elementary and secondary parochial schools also operate a day care center as part of that school. Day care for those churches is also an integral part of its religious mission, as it is for Trinity Baptist and most churches that offer these services.

As further evidence of this fact, we have attached to this testimony copies of curricula that churches use in their child care centers.

In January, 1989 the Board of Trustees of Americans United discussed at great length the issue of funding child care as well as H.R. 3 and the ABC Bill. The Board endorsed a list of suggestions for amendments to H.R. 3 that Lee Boothby, our legal counsel, gave them at the meeting. Those suggestions follow and are divided by Titles as you divided your bill.

It is important to note that a part of that exchange was a discussion about the potential for Americans United litigating a child care program that violates the constitutional principle of church-state separation. While the Board is solidly committed to litigating any unconstitutional child care Act enacted by Congress, one of the major concerns of the Board members was what would happen to child care in this country if the Supreme Court struck down this kind of program, as few doubt it would.

The result could be the same as we experienced in the Chapter 1 program after the Court's decision in Americans United's suit, Grand Rapids v. Ball 473 U.S. 373 (1985) (and in its companion case, Aguilar v. Felton 473 U.S. 402 (1985)) that Chapter 1 funds could not be used in parochial schools.

If you will recall, in that pair of cases the Court struck down the use of Chapter I funds and other state funds in parochial schools, resulting in a serious disruption of services to students in those programs. As with Chapter I, litigation on child care could take years to reach the Supreme Court. By that time a national program of child care would likely be well established. A similar Court decision as was handed down in Chapter I could result in the same kind of disruption of services in child care as happened in the Chapter I program. The Board's preference, of course, is that Congress create a constitutionally sound program of child care funding and avoid any litigation.

The Board was also concerned about Head Start. All of the Board members were aware that it has been a successful program but were equally cognizant of some serious constitutional flaws in its provisions. The potential for litigation of that program was a part of the discussion. But their preference, again, was that the Committee create a program that was constitutionally sound, ruling out the need for litigation and the resulting disruption of services from a Supreme Court decision.

Consequently, our review of the bill follows with a discussion of its provisions that could create some church-state problems and some suggestions for remedying those problems.

TITLE I - EXPANDED HEAD START

In examining Title I utilizing the Head Start Act, we found that the following provisions might run afoul of past Supreme Court decisions that would be applied to the type of assistance proposed in H.R. 3.

We are concerned that the Head Start Act, as utilized in Title I of this bill, does not contain statutory guarantees prohibiting use of any funds for sectarian programs. This particularly disturbs us in light of the fact that it is clear sectarian organizations could be designated as Head Start agencies.

We are concerned that there are no prohibitions against use of federal funds for sectarian purposes even though 42 U.S.C. Sec. 9839 imposes certain administrative requirements and standards on a Head Start agency. This section, for instance, among other things, seeks to eliminate any partisan political bias, personal or family favoritism, financial conflicts of interest, or the picketing, protest, or other direct action in violation of law. If the above prohibitions are a part of this legislation, so should prohibitions against violation of non-establishment principles proscribed by the First Amendment.

A clause in 42 U.S.C. Section 9849 contains a prohibition against discrimination in a Head Start program. It provides that "no person with responsibilities in the operation (of a Head Start program) will discriminate with respect to any such program, project or activity because of race, creed, color, national origin, sex, political affiliation, or beliefs." We believe that this section, with only the word "creed" to indicate religion, is inadequate to prohibit discrimination in this area. More specific prohibitions against religious discrimination are needed.

It should be noted that church-affiliated pre-school programs for three-and four-year-olds are used to stress sectarian beliefs. Examples of this can be found in excerpts from the Preschool Curriculum Guide issued by the Lutheran Church, Missouri Synod. It may also be found in an article by James W. Fowler entitled "Psychological Perspectives on the Faith Development of Children," which is published by the United States Catholic Conference in a book entitled "Catechism: Realities and Visions -- a Synopsis on the Catechesis of Children and Youth"

Americans United is aware that significantly altering provisions of the Head Start program would be difficult. However, Head Start already has serious constitutional problems and faces a likely court challenge in the future. With the reauthorization of that program coupled with child care in H.R. 3, churches will continue to be utilized and will promote their own sectarian objectives. It therefore seems imperative now to protect Head Start, making it constitutionally sound by including specific prohibitions against funding any part of the program that is sectarian in character.

TITLE II - SCHOOL-BASED CHILD CARE AND DEVELOPMENT

Title II of H.R. 3, providing child care through the use of the Elementary and Secondary Education Act of 1965, we believe would minimize church-state problems. Our belief, however, is based on the assumption that this portion of the legislation confines grants only to a local education agency (LEA), that is, a local school board with the additional proviso that the local educational agency is permitted to make "grants to or contracts with other public entities that provide child care and early childhood development programs." We understand this proviso permits grants and contracts to go to the LEA and some other governmental bodies -- not sectarian organizations.

Black's Law Dictionary defines the phrase "public agency" as: "A department or agency of government which has official or quasi-official status. An Administrative body." We would feel more comfortable and suggest you include in your bill such a definition of the phrase "public agency."

There have also been instances where public agencies have utilized the facilities of sectarian organizations and have, in fact, entered into operational arrangements with such organizations for educational purposes. Because of that history, we believe that provisions should be added to the bill preventing such arrangements with sectarian organizations.

TITLE III - INFANT AND TODDLER CHILD CARE

This portion of the bill seeks to utilize previous legislation found in 42 U.S.C. Sections 9871-9877. Those sections, which provide grants to states for planning, development of dependent care programs and for other purposes, is the vehicle in H.R. 3 to provide child care for low-income families with children up to age three.

Eliminated in the bill are sections 19 and 20 found in last year's ABC bill, which specifically prohibited the use of funds for sectarian purposes with additional detailed proscriptions concerning discrimination.

Although this aspect of the bill deals only with children under three years of age, we believe it to be a serious mistake to give federal funds to church-operated child care programs. There seems to be an assumption by some that because only children up to age three would be included under Title III that the care is merely custodial and that there is no educational aspect to the program for these children.

In fact, many church-operated child care programs utilize even the pre-three year old aspect of their program to teach religion, to evangelize and to funnel children into the church school educational programs. This is well illustrated in the testimony of Dr. Eugene M. Graham of the Faithway Baptist Church, Ypsilanti, Michigan, in a deposition taken in that case, which is pending in a Michigan Circuit Court. A copy of the pertinent part of that testimony is attached.

Last year Americans United opposed the ABC Bill because of its serious constitutional problems. Unfortunately, in our opinion, this section of H.R. 3 is also seriously flawed from the standpoint of the non-establishment proscriptions of the First Amendment.

In addition to the comments that were previously made to last year's ABC bill, copies of which are appended, we also want to mention problems we see with the portion of this bill that permits grants of up to $250,000 to a single eligible child care provider. It also reserves one percent of the amount available each fiscal year to be distributed on a competitive basis to "business and eligible child care providers jointly."

In the distribution of funds there is the concept of making an equitable distribution among the various types of child care providers. It appears to us that not only will sectarian organizations participate in the program, but the granting of those funds may not be uniformly distributed. The result would most likely be that only certain preferred sectarian groups will receive the federal funding of their program and that funding will also be based upon a standardless determination by some agency official. This only compounds Establishment Clause concerns which were present in the last year's ABC bill.

Furthermore, this portion of the bill permits grants and low-interest loans to both existing and potential family child care providers and nonprofit child care providers and permits these funds to be used to make renovations and improvements to existing facilities. There is a caveat that "if such provider is a sectarian agency or organization, the renovation or repair is necessary to bring such facility into compliance with health and safety requirements imposed by this subchapter."

We fail to see that this restriction comes even close to satisfying First Amendment Establishment Clause prohibitions. The only effect of this language would be to underscore the fact that sectarian organizations may receive federal funds to improve their religious facilities.

The bill fails to prohibit in any way the utilization of the federal funds provided under this Title for sectarian purposes since the only prohibitions referred to are those found in section 659R. That provision states that "section 654, 655, 656, and 657 of the Head Start Act (42 U.S.C. 9849-9852) shall apply with respect to this subchapter to the same extent and in the same manner as such sections apply with respect to such Act."

Nothing in those sections in any way prohibits the use of funds for sectarian purposes. Section 9849(a) does prohibit discrimination based on race, creed, color, national origin, sex, political affiliation, or beliefs. As we said earlier in our comments, we do not believe the word "creed" sufficiently describes religion to prohibit discrimination in this area.

Section 9849(b) prohibits discrimination on the basis of gender and provides for enforcement of this provision. Section 9849(c) prohibits discrimination based upon handicapping conditions as a basis for denial of financial assistance.

Section 9850 is a limitation with respect to certain unlawful activities but relates only to planning, initiating, participating in, or otherwise aiding or assisting in the conduct of any unlawful demonstration, rioting or civil disturbance.

Section 9851 is a prohibition concerning political activities. Section 9852 deals only with advanced funding and contains no restrictions as to use of funds.

The only way to make H.R. 3 constitutionally sound would be to exclude churches and other sectarian organizations as recipients of these funds or institute the following limitations on any church-related child care center:

1. Establish a separate corporation to govern the child care center;
2. Hire separate teaching and support staffs;
3. Move the child care center off church premises.
4. Conduct admissions and hiring on a non-discriminatory basis.

Though child care is not one of Americans United's issues, we recognize that passage of a child care bill is crucial for this nation. Our interest is to see that a constitutionally sound bill is passed so that child care services will be provided on an equitable, nondiscriminatory basis for all families who need it and so that provision of these services is not interrupted by litigation.